

In the Matter of)	
)	
Federal-State Joint Board on Universal Service)	WC Docket No. 09-197
)	
EZ REACH MOBILE, LLC)	
)	
Petition for Limited Designation as an Eligible)	
Telecommunications Carrier in the States of)	
Alabama, Connecticut, Delaware, Florida, New)	
Hampshire, North Carolina, New York,)	
Tennessee, the Commonwealth of Virginia,)	
and the District of Columbia)	

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

May 10, 2012

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SUMMARY

EZ REACH MOBILE, LLC (“EZ Reach”) is seeking limited designation as an Eligible Telecommunications Carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, North Carolina, New York, Tennessee, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”) pursuant to Section 214(e)(6) of the Communications Act, solely for purposes of offering services supported by the Universal Service Fund’s (“USF”) Lifeline program. EZ Reach is a Mobile Virtual Network Operator (“MVNO”) that purchases wireless service on a wholesale basis from Sprint. Each Non-Jurisdictional State has provided an affirmative statement that it does not exercise jurisdiction over wireless providers for purposes of ETC designation. Accordingly, pursuant to Section 214(e)(6), the Commission has the authority to designate EZ Reach as an ETC in the Non-Jurisdictional States.

EZ Reach meets all of the requirements under Section 214(e)(1) for the limited ETC designation requested herein except for providing service, at least in part, using its own facilities. However, the Commission granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation in its Lifeline and Link-Up Reform Order released February 6, 2012.¹ Through its contracts with underlying carriers, EZ Reach has the ability to offer all of the services and functionalities supported by the USF and set forth in Section 54.101(a) of the Commission’s rules. EZ Reach therefore respectfully requests that the Commission promptly approve the instant request for limited ETC designation to enable the

¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Lifeline and Link Up Reform Order*”).

Company to rapidly provide Lifeline services to qualifying customers in the Non-Jurisdictional States.

Designating EZ Reach as an ETC in the Non-Jurisdictional States will promote the public interest by providing qualifying low-income customers in the Non-Jurisdictional States with lower prices and high-quality wireless services. Many low-income customers in the Non-Jurisdictional States have yet to reap the well-documented benefits of wireless service because of financial constraints, poor credit history, or intermittent employment. EZ Reach's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, EZ Reach will be able to provide discounted and affordable services to these consumers who are among the intended beneficiaries of USF support.

ETC designation for Lifeline service is consistent with precedent and will serve the public interest, and should be granted without delay.

**Before the
Federal Communications Commission
Washington, DC 20554**

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**PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER IN THE STATES OF ALABAMA,
CONNECTICUT, DELAWARE, FLORIDA, NEW HAMPSHIRE, NORTH CAROLINA,
NEW YORK, TENNESSEE, THE COMMONWEALTH OF VIRGINIA, AND THE
DISTRICT OF COLUMBIA**

I. INTRODUCTION

EZ REACH MOBILE, LLC (“EZ Reach” or “the Company”), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended (“Act”), and Section 54.201 of the rules of the Federal Communications Commission (“FCC” or “Commission”), hereby requests limited designation as an eligible telecommunications carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, North Carolina, New York, Tennessee, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”). EZ Reach seeks ETC designation in the Non-Jurisdictional States only for purposes of participation in the Universal Service Fund’s (“USF”) Lifeline program and does *not* seek to participate in the Link-Up or the High-Cost support programs.

Since the Alabama Public Service Commission, the Connecticut Department of Public Utility Control, the Delaware Public Service Commission, the District of Columbia Public Service Commission, the Florida Public Service Commission, the New Hampshire Public Utilities Commission, the North Carolina Utilities Commission, the New York Public Service Commission, the Tennessee Regulatory Authority and the Virginia State Corporation Commission (collectively, the “State Commissions”) lack jurisdiction to designate EZ Reach as an ETC, the Commission, under Section 214(e)(6) of the Act, has the authority to consider and grant this request.² As more fully described below, EZ Reach satisfies the requirements for designation as an ETC in the Non-Jurisdictional States, including the new requirements outlined in the FCC’s *USF/ICC Transformation Order*³ and *Lifeline and Link Up Reform Order*,⁴ and will offer all of the services and functionalities supported by the universal service program throughout its designated service areas in the Non-Jurisdictional States. Grant of EZ Reach’s request, therefore, will promote the public interest by providing customers in the Non-Jurisdictional States with an additional choice for high quality wireless services.

² See 47 U.S.C. § 214(e)(6).

³ *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*USF/ICC Transformation Order*”).

⁴ See supra note 1.

II. BACKGROUND

A. Company Overview

EZ Reach will provide prepaid wireless telecommunications services to consumers by using the Sprint Spectrum L.P. (“Sprint”) network on a wholesale basis. Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to wireless resellers like EZ Reach. EZ Reach will obtain from Sprint, either directly or via a third party, the network infrastructure, including wireless transmission facilities, to allow EZ Reach to operate as a Mobile Virtual Network Operator (“MVNO”), similar to TracFone and Virgin Mobile, both of whom have been granted ETC status by the Commission.⁵ EZ Reach will purchase services from Sprint on a wholesale basis for mobile calling and text messaging, package those services into EZ Reach’s own service plans and pricing, and bundle those service with EZ Reach’s handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers.

Affordable and easy to use prepaid wireless services are attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with

⁵ *Federal-State Joint Board on Universal Service, TracFone Wireless, Inc., Petitions for Designation in the States of Alabama, Connecticut, Delaware, Florida, North Carolina, New Hampshire, New York, North Carolina, Pennsylvania, Tennessee, Virginia, and Washington D.C.*, CC Docket No. 96-45, Order, 23 FCC Rcd 6206 (2008) (“*TracFone ETC Order*”); *Petition of Virgin Mobile USA, L.P. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 24 FCC Rcd 3381 (2009) (“*Virgin Mobile Order*”). The Commission had previously granted TracFone forbearance from the facilities requirement for ETC designation, permitting TracFone to offer the supported services via resale only. *Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) (“*TracFone Forbearance Order*”). The *Virgin Mobile Order* contained both the forbearance analysis and ETC designation.

friends and family and for contacting prospective employers. By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, EZ Reach will expand the availability of wireless services to many more low-income consumers, which is one of the principal objectives of Congress' universal service program as codified in Section 254 of the Act, 47 U.S.C. § 254.

EZ Reach will offer consumers simple and affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of other, similar MVNOs' customers, EZ Reach anticipates that many of its customers will be from low-income backgrounds and will not previously have enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. EZ Reach does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service. EZ Reach allows customers to choose a prepaid plan in which they are charged only for the minutes they use.

B. Lifeline Program

Universal service has been a fundamental component of U.S. telecommunications policy since adoption of the Act over 70 years ago. Section 254 of the Act codified that commitment in 1996, and embodies the Commission's historical commitment to the concept of universal service, including for low-income consumers. Section 254(b) sets forth the principles upon which the Commission shall base its policies for the promotion and advancement of universal service. These principles require the Commission to ensure that all consumers, including low-income consumers,

have access to telecommunications services at affordable and reasonably comparable rates.⁶ As part of those universal service support programs, Lifeline support helps defray the monthly costs of telecommunications services for low-income consumers by providing them with discounts off the monthly cost of telephone service, with additional discounts available for individuals living on tribal lands.⁷

While generally praising the Low-Income program's success, the Commission has noted that "there is more that we can do to make telephone service affordable for more low-income households," and has specifically targeted telephone subscription among low income consumers as one area for improvement.⁸ To increase awareness of the program, the Commission has expanded the qualifying criteria and adopted broader outreach guidelines, requiring carriers to better advertise the availability of Lifeline services. Through these actions, the Commission has sought to increase Lifeline participation because "When consumers are able to only intermittently remain on the network, they are not fully connected to society and the economy...The Commission has found that the low-income program 'provide[s] the best source of assistance for individuals to obtain and retain universal service, and, therefore, help maintain and improve telephone subscribership' and fulfill our obligations under Section 254 of the Act."⁹

⁶ See 47 U.S.C. § 254. Section 254(b)(3) of the Act requires the Commission to determine whether "consumers in all regions of the Nation, *including low-income consumers* and those in rural, insular, and high cost areas...have access to telecommunications [services] ..." 47 U.S.C. § 254(b)(3) (emphasis added).

⁷ 47 C.F.R. §§ 54.400 and 54.401.

⁸ See *Lifeline and Link Up Reform Order* at ¶¶ 27-30; See also *Lifeline and Link-Up*, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 19 FCC Rcd 8302, 8305 ¶ 1 (2004) ("*Lifeline Order*").

⁹ See *Lifeline and Link-Up Reform Order* at ¶ 16.

C. Proposed Lifeline Offering

EZ Reach intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice usage at all price points. Attached hereto as Attachment A is a table of the Company's rate plans, showing that EZ Reach will provide customers with a choice of two (2) plan options:

- Lifeline Plan 1: 250 Minutes. Eligible customers enjoy 250 anytime minutes. These minutes do not rollover and text messaging is not included.
- Lifeline Plan 2: 100 Minutes. Eligible customers enjoy 100 anytime minutes that rollover for ninety (90) days. Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).

In addition to wholly-supported voice services, the Company's Lifeline plans will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, and Voicemail. Customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$13.50, \$25, and \$30.¹⁰ Additional airtime can be purchased by calling Customer Service, at no decrement in minutes, or by contacting Customer Service via the Company's website www.ezreachmobile.com. Customers are not bound by a local calling area requirement; all EZ Reach plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to EZ Reach Customer Service are also free.

¹⁰ \$5 = 75 minutes; \$13.50 = 250 minutes; \$25 = 500 minutes; and \$30 = 1000 minutes.

III. THE COMMISSION HAS AUTHORITY TO PERFORM THE ETC DESIGNATION

Pursuant to Section 214(e)(6), the Commission may designate as an ETC “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a state commission.”¹¹ The Commission has established that a carrier must demonstrate that it “is not subject to the jurisdiction of a state commission” before it may consider an application for ETC designation.¹² The Commission also has stated that any carrier seeking ETC designation from it must provide the Commission with an “affirmative statement” from the state PUC that it lacks jurisdiction to perform the ETC designation.”¹³

None of the states for which EZ Reach requests ETC designation from the FCC has the jurisdiction to designate the Company as an ETC:

a) The Alabama Public Service Commission has concluded that it “has no jurisdiction to take action” on ETC petitions, and that “wireless providers seeking ETC status should pursue their ETC designation request with the FCC.” A copy of the Alabama Public Service Commission’s order is attached as Attachment B.

b) The Connecticut Department of Public Utility Control has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier’s ETC petition. A sample letter is attached as Attachment C.

¹¹ See 47 U.S.C. § 214(e)(6).

¹² See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997).

¹³ See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscriberhip in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12264 ¶ 113 (2000).

c) The Delaware Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier's ETC petition. A sample letter is attached as Attachment D.

d) The District of Columbia Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain a wireless carrier's ETC petition. The letter is attached as Attachment E.

e) The Florida Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier's ETC petition. A sample letter is attached as Attachment F.

f) The New Hampshire Public Utilities Commission has provided a letter clarifying that it lacks jurisdiction to entertain a wireless carrier's ETC petition. The letter is attached as Attachment G.

g) The New York Public Service Commission has provided letters clarifying that it lacks jurisdiction to entertain a wireless carrier's ETC petition. A sample letter is attached as Attachment H.

h) The North Carolina Utilities Commission has concluded that "the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC." A copy of the North Carolina Utilities Commission's Order is attached as Attachment I.

i) The Tennessee Regulatory Authority has concluded that its statutory "lack of jurisdiction over CMRS providers" precludes it from processing ETC petitions. A copy of the Tennessee Regulatory Authority's order is attached as Attachment J.

j) The Virginia Corporation Commission has concluded that "§ 214(e)(6) of the Act is applicable" to wireless ETC petitions "because [the Virginia Commission] has not asserted

jurisdiction over CMRS carriers,” and that wireless ETC applicants “should apply to the Federal Communications Commission.” A copy of the Virginia Commission’s Order is attached as Attachment K.

Accordingly, for each of the Non-Jurisdiction States, EZ Reach is “a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission.”¹⁴ As such, the Commission is authorized to designate EZ Reach as an Eligible Telecommunications Carrier.

IV. EZ REACH REQUESTS ETC DESIGNATION IN ITS SERVICE AREAS IN THE NON-JURISDICTIONAL STATES FOR PARTICIPATION IN THE LIFELINE PROGRAM

A. EZ Reach Requests ETC Designation in its Existing Service Area

Consistent with prior orders granting other MVNOs ETC status,¹⁵ EZ Reach requests ETC designation for its entire service area in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia (i.e., the area served by the facilities-based carriers from whom it obtains wholesale service), but excluding any Tribal Areas.¹⁶ EZ Reach understands that its service area overlaps with several rural carriers’ service areas but maintains that the public interest factors described below justify its designation in these service areas, especially since it only seeks ETC designation for purposes of participation in the Lifeline program.

¹⁴ 47 U.S.C. § 214(e)(6).

¹⁵ See *TracFone ETC Order* and *Virgin Mobile Order*, *supra* note 5.

¹⁶ See Attachment L for chart reflecting the service areas of the non-rural and rural telephone companies that EZ Reach’s authorized service area covers in the Non-Jurisdictional States.

B. EZ Reach's Limited ETC Designation Request Only Seeks Authority to Participate in the Lifeline Program

Consistent with the scope of forbearance granted by the Commission, EZ Reach requests ETC designation in the Non-Jurisdictional States for the sole purpose of participating in the Lifeline program. EZ Reach does not seek eligibility to receive support from the Link-Up program or High Cost support program. As demonstrated herein, the instant request to participate in the Lifeline program is consistent with the Commission's requirements for ETC designation, and would promote the goals of universal service by offering the many benefits of supported services to low-income customers in the Non-Jurisdictional States. As discussed above, EZ Reach's Lifeline offerings will include many features specifically designed for qualifying low-income customers, who currently lack appealing and affordable options for wireless services, many of whom are therefore unable to subscribe to wireless services.

C. The Limited Designation Request is Consistent with Recent Precedent

EZ Reach's request for designation to participate in the Lifeline program is consistent with the Commission's recent decisions conditionally designating TracFone Wireless and Virgin Mobile as ETCs in several states.¹⁷ In its decisions, the Commission determined that the requests of TracFone and Virgin Mobile satisfied all of the eligibility requirements and that designation would serve the public interest.¹⁸ The Commission specifically noted in the *TracFone* and *Virgin Mobile Orders* that designation of prepaid wireless providers as ETCs will

¹⁷ See *supra* note 5.

¹⁸ See *TracFone ETC Order*, 23 FCC Rcd at 6212-13 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

provide a variety of benefits to low-income consumers, including increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.¹⁹

EZ Reach requests that the Commission expeditiously process its pending ETC applications so that it can quickly join TracFone and Virgin Mobile in providing qualifying low-income customers with affordable USF-supported Lifeline wireless services. Designation of prepaid wireless providers such as TracFone, Virgin Mobile and EZ Reach as ETCs is a significant step towards ensuring that all customers, particularly low-income customers, share in the many benefits associated with access to affordable wireless telecommunications services. During an economic downturn, many existing wireless customers have to forego wireless services because they can no longer afford them. Designation of ETC status to prepaid wireless carriers like TracFone, Virgin Mobile and EZ Reach helps to close the widening gap for wireless services and provide low-income customers with the significant advantages associated with access to wireless services. The Commission has found that voice service has “become crucial to full participation in our society and economy, which are increasingly dependent upon the rapid exchange of information.”²⁰ As noted in a study sponsored by the Massachusetts Institute of Technology’s Legatum Center for Development and Entrepreneurship and New Millennium Research Council, low-income customers receive significant economic and social benefits from wireless services, including enhanced productivity, increased economic opportunity, and broader access to emergency and safety services.²¹

¹⁹ *See Id.*

²⁰ *See Lifeline and Link Up Reform Order* at ¶ 12.

²¹ Nicholas P. Sullivan, New Millennium Research, *Cell Phones Provide Significant Economic Gains for Low-Income American Households: A Review of Literature and Data from Two New* (continued on next page)

V. EZ REACH SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 214(e)(1) of the Act and Section 54.201(d) of the Commission's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the Commission has forbore from the "own facilities" requirement. Applicants also must commit to advertise the availability and rates of such services.²² As detailed below, EZ Reach satisfies each of the above-listed requirements.

A. EZ Reach is a Common Carrier

CMRS resellers like EZ Reach are common carriers.²³

B. EZ Reach Will Provide the Supported Services Consistent With the Commission's Grant of Forbearance from Section 214's Facilities Requirements

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the Commission has forbore from that requirement with respect to carriers such as EZ Reach. In the *Lifeline and Link Up Reform Order*, the Commission granted forbearance from the

Surveys, (April 2008), available at http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf.

²² See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

²³ *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also *PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services *and resellers of such services*." (emphasis added)).

“own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:²⁴

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier’s service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary.”

EZ Reach will avail itself of the FCC’s grant of blanket forbearance.²⁵ In accordance with the *Lifeline and Link Up Reform Order*, EZ Reach filed its Compliance Plan with the FCC on May 1, 2012. A copy of its Compliance Plan is attached to this Petition as Attachment M. EZ Reach commits to providing Lifeline service in the Non-Jurisdictional States in accordance with the Compliance Plan.²⁶

C. EZ Reach Offers All of the Required Services and Functionalities

Through its wholesale arrangements with its underlying carrier(s), EZ Reach is able to provide all of the services and functionalities supported by the universal service program under

²⁴ See *Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

²⁵ Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. The Company will follow the requirements of the Commission’s Lifeline rules and its Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

²⁶ To the extent that future changes in federal regulations render the commitments made in the Compliance Plan invalid, the Company reserves the right to modify its operations in accordance with federal regulations in effect at that time.

Section 54.101 of the Commission’s rules in the Non-Jurisdictional States. EZ Reach will make these services and functionalities available to qualifying consumers with service addresses in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia.

1. Voice Grade Access to the Public Switched Telephone Network

EZ Reach provides voice grade access to the public switched telephone network (“PSTN”) through the purchase of wholesale CMRS services from Sprint.

2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer.²⁷ EZ Reach offers a variety of rate plans that include minutes of use for, among other things, local service.

3. Access to Emergency Services

EZ Reach provides nationwide access to 911 and E911 emergency services for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. In accordance with its forbearance, EZ Reach will provide access to 911 and E911 services regardless of activation status and availability of minutes, and will provide only E911-compliant handsets to its Lifeline customers.

²⁷ See e.g., *In the Matter of Federal-State Joint Board on Universal Service*, Recommended Decision 15 FCC Rcd 7331 (2002).

4. Toll Limitation for Qualifying Low-Income Consumers

In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.²⁸ “ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls.”²⁹ Nonetheless, EZ Reach’s offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. EZ Reach’s service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. EZ Reach will not seek reimbursement for toll limitation service.

D. Advertising of Supported Services

EZ Reach will broadly advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the Commission’s regulations,³⁰ and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.³¹ The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, using media of general distribution that may include advertisements via community events, direct response radio and the internet. These advertising campaigns will be specifically targeted to reach low-income customers, promoting the availability of cost-effective wireless services to this neglected consumer segment.

In addition, EZ Reach will utilize its network of retail partners to help promote the availability of its Lifeline plans, especially those retail outlets that are frequented by low-income

²⁸ See *Lifeline and Link Up Reform Order* at ¶ 367.

²⁹ See *Lifeline and Link Up Reform Order* at ¶ 49.

³⁰ See 47 C.F.R. § 54.201.

³¹ See *Lifeline and Link Up Reform Order* at Section VII.F.

consumers. EZ Reach will provide retail vendors with signage to be displayed where EZ Reach products are sold, and with printed materials describing EZ Reach's Lifeline program. EZ Reach expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in higher participation in the Lifeline program by qualified consumers than has been the case in the past. EZ Reach will supplement these methods of communication to specifically advertise and promote the availability of its Lifeline offerings to qualifying customers throughout the Non-Jurisdictional States. EZ Reach intends to distribute brochures at various state and local social service agencies, and intends to partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services.

E. Service Commitment Throughout the Proposed Designated Service Area

EZ Reach will provide service in the Non-Jurisdictional States by reselling service which it obtains from its underlying facilities-based provider. The underlying provider's network is operational and largely built out. Thus, EZ Reach will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. EZ Reach commits to comply with the service requirements applicable to the support that it receives.³²

F. Five-Year Network Improvement Plan

As set forth in the *Lifeline and Link Up Reform Order*, a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC.³³

³² See *Lifeline and Link Up Reform Order* at page 208, revised § 54.202(a)(1)(i).

³³ See *Lifeline and Link Up Reform Order* at ¶ 386.

G. Ability to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. §54.202(a)(2), EZ Reach has the ability to remain functional in emergency situations. As described herein, EZ Reach resells the network services of Sprint, a large, national carrier that is itself subject to various regulatory requirements to remain functional in emergencies. Through Sprint, EZ Reach provides to its customers the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Furthermore, the Company is subject to its own 911 requirements in 47 C.F.R. 20.18(m), and has committed to specific 911 and E911-related requirements – including with respect to E911 handsets – in its Compliance Plan.

H. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.³⁴ The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. EZ Reach commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

³⁴ See 47 C.F.R. § 54.202(a)(3).

I. EZ Reach is Financially and Technically Capable

EZ Reach is financially and technically capable of providing Lifeline-supported services.³⁵ EZ Reach has not been subject to enforcement action or ETC revocation proceedings in any state. EZ Reach has access to the financial resources, including private capital, necessary to provide Lifeline-supported services; the Company does not intend to rely exclusively on USF disbursements to operate. Furthermore, the senior management of EZ Reach has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.³⁶ EZ Reach will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

VI. EZ REACH WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE LIFELINE AND LINK-UP REFORM ORDER

A. Consumer Eligibility and Enrollment

EZ Reach will certify and verify consumer eligibility for Lifeline in accordance with its Compliance Plan, which outlines how the Company will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, EZ Reach will rely on the state identification or database.³⁷ In instances where EZ Reach is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

1. One-Per-Household

EZ Reach understands that Lifeline is limited to a single subscription per household, and

³⁵ See *Lifeline and Link Up Reform Order* at ¶ 387.

³⁶ See Attachment M, Exhibit D for key management resumes.

³⁷ See *Lifeline and Link Up Reform Order* at ¶ 98.

that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”³⁸ Upon receiving an application for Lifeline support, EZ Reach will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. EZ Reach will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If EZ Reach determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, EZ Reach will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, EZ Reach will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s income; and (4) the penalty for a consumer’s failure to make the required one-per-household certification (i.e., de-enrollment).³⁹ EZ Reach will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

³⁸ See *Lifeline and Link Up Reform Order* at ¶ 74.

³⁹ See *Lifeline and Link Up Reform Order* at ¶ 78.

On its certification forms, a draft sample of which is attached,⁴⁰ EZ Reach will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).⁴¹ EZ Reach will inquire on its certification forms whether or not the applicant's address is a temporary one.⁴² EZ Reach will notify the consumer that if they have a temporary address, the Company may contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of EZ Reach's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program.⁴³ Also on its certification forms, EZ Reach will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.⁴⁴ If the subscriber has moved, EZ Reach will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.⁴⁵

As detailed below, EZ Reach's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

⁴⁰ See Attachment M, Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

⁴¹ See *Lifeline and Link Up Reform Order* at ¶ 85.

⁴² See *Lifeline and Link Up Reform Order* at ¶ 89.

⁴³ See *id.* If and when this 90-day recertification of temporary addresses requirement is approved, the Company will attempt to verify a temporary address every 90 days and will de-enroll any Lifeline customer who fails to respond to the Company's attempts within 30 days. However, as of the date of filing of this Petition, this requirement has not been approved. In fact, on April 13, 2012, the Office of Management and Budget (OMB) invoked the Paperwork Reduction Act (PRA) to prevent this requirement from going into effect.

⁴⁴ See *Lifeline and Link Up Reform Order* at ¶ 85.

⁴⁵ See *id.*

2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. EZ Reach's application form will identify that it is a "Lifeline" application. EZ Reach will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

EZ Reach's initial and annual certification forms will conform to the list of requirements provided in the *Lifeline and Link Up Reform Order*, Appendix C and C.F.R. § 54.410(d), as amended.⁴⁶ The Company's Lifeline certification forms, a draft sample of which is provided in Attachment M as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

⁴⁶ See *Lifeline and Link Up Reform Order* at pp. 227-29.

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

EZ Reach will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support

documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.⁴⁷

The Company will primarily enroll Lifeline applicants in person at community events. When a prospective customer applies at an event, Company employees, agents or representatives (“personnel”) will ask to see a government issued ID and will validate the address via a USPS/Melissa Database and simultaneously input the name/address combination into CGM, LLC’s aggregate duplicate database (see section VI.B below) to confirm that the applicant is not already receiving a Lifeline subsidy from EZ Reach or any other CGM client. In cases where an eligibility database exists, personnel will contact the Company’s internal group dedicated to verifying eligibility who will query the database and either approve or deny the applicant. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. EZ Reach’s Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record information about the specific documentation reviewed as part of the eligibility verification process. Eligibility documents are returned to the customer after review. Finally, EZ Reach personnel will verbally explain the certifications to consumers before they initial the required disclosures and sign the application. Once the Lifeline application is complete, it is scanned into the Company’s database. Upon successful completion of the certification process, the customer is

⁴⁷ See *Lifeline and Link Up Reform Order* at ¶ 168.

allowed to choose a service plan and receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, EZ Reach will mail the phone to the customer once verification of eligibility is complete. The customer's account is then activated upon the customer's personal initiation or actual use of the phone.

EZ Reach may also enroll customers at retail stores, in which case the protocol for signing up customers closely resembles the process at an event. Company employees, agents or representatives are able to access necessary databases (USPS/Melissa, duplicates database, eligibility databases) to verify eligibility, and, when required, can personally review eligibility based on proof of income or program participation. Company personnel are able to verbally review the required disclosures with applicants and obtain the completed application form in person. Phones are delivered upon successful completion of the certification process, as detailed above.

With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. The Company then has the information needed to qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, EZ Reach is able to complete the eligibility verification process and deliver phones to eligible customers by mail.

When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. EZ Reach will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before

moving on to the next field.⁴⁸ The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, EZ Reach is able to complete the eligibility verification process and deliver phones to eligible customers by mail.

EZ Reach will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, EZ Reach will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available.⁴⁹ If a database is used to establish eligibility, EZ Reach will not require documentation of the consumer's participation in a qualifying federal program; instead, EZ Reach or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.⁵⁰ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for EZ Reach to check electronic databases for eligibility, EZ Reach will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.⁵¹ EZ Reach will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or

⁴⁸ See Order at ¶ 123.

⁴⁹ See Lifeline and Link Up Reform Order at ¶ 97.

⁵⁰ See Lifeline and Link Up Reform Order at ¶ 98.

⁵¹ See Lifeline and Link Up Reform Order at ¶ 99.

her eligibility.⁵² EZ Reach understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases EZ Reach remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.⁵³

EZ Reach will provide employees, agents, and representatives with training designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training will discuss the Company's Lifeline application form (see Attachment M, Exhibit A) on a section-by-section basis. The training will explain what sections of the form must be completed by the customer and will review the form disclosures in detail, to facilitate the ability of personnel to explain each item contained therein and answer any customer questions.

3. Annual Re-Certification

EZ Reach understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.⁵⁴ By December 31, 2012, EZ Reach will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by

⁵² See *Lifeline and Link Up Reform Order* at ¶ 101.

⁵³ See *Lifeline and Link Up Reform Order* at ¶ 110.

⁵⁴ See *Lifeline and Link Up Reform Order* at ¶ 130.

email, or otherwise through the Internet—to confirm their continued eligibility.⁵⁵ The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. EZ Reach will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section VI.A.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. EZ Reach understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.⁵⁶

Alternatively, where a database containing consumer eligibility data is available, EZ Reach (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, EZ Reach will contact the subscriber every year during the annual certification process to obtain a valid address.⁵⁷ After 2012, EZ Reach will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.⁵⁸

EZ Reach will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of EZ Reach's submission of re-certification data pursuant to

⁵⁵ *See id.*

⁵⁶ *See Lifeline and Link Up Reform Order* at ¶ 132.

⁵⁷ *See Lifeline and Link Up Reform Order* at ¶ 131.

⁵⁸ *See Lifeline and Link Up Reform Order* at ¶ 133.

47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state, and

(2) that the Company is in compliance with all federal Lifeline certification procedures.⁵⁹

B. Other Reforms to Eliminate Waste, Fraud and Abuse

EZ Reach shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein and in its Compliance Plan, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally.

EZ Reach has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines.

⁵⁹ See *Lifeline and Link Up Reform Order* at ¶ 126-27.

Through the processes described herein, EZ Reach ensures that it does not over-request from support funds.

As detailed in section VI.A.2, EZ Reach first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, EZ Reach requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, EZ Reach verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, EZ Reach checks any available eligibility database. If one is not available, the applicant is required to provide proof of eligibility. This prevents ineligible applicants from receiving the subsidy.

EZ Reach verifies the address of the applicant first via the applicant's government issued ID, then validates the address via a USPS/Melissa Database to ensure the address is correct. This then prompts the representative to detail the one-per-household rule with the applicant. EZ Reach intends to develop its provisioning platform so that the name/address combination can simultaneously be dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from EZ Reach or any other CGM client.

1. National Lifeline Accountability Database

EZ Reach will participate in the National Lifeline Accountability Database, once it is established. As required by the *Lifeline and Link Up Reform Order*, EZ Reach will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of

federal Lifeline support being sought for that subscriber.⁶⁰ EZ Reach will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.⁶¹

Furthermore, on its certification form, EZ Reach will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.⁶²

Within 30 days following Commission notice that the database is capable of accepting queries, EZ Reach will query the database to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.⁶³

2. Subscriber Usage

EZ Reach will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, EZ Reach will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.⁶⁴ EZ Reach will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements,

⁶⁰ See *Lifeline and Link Up Reform Order* at ¶ 189.

⁶¹ See *Lifeline and Link Up Reform Order* at ¶ 190.

⁶² See *Lifeline and Link Up Reform Order* Appendix C.

⁶³ See *Lifeline and Link Up Reform Order* at ¶ 203.

⁶⁴ See *Lifeline and Link Up Reform Order* at ¶ 257.

and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.⁶⁵ An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.⁶⁶ EZ Reach will utilize tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.⁶⁷ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section VI.C below. EZ Reach will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.⁶⁸

3. Marketing & Outreach

EZ Reach will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. EZ Reach will explain in clear, easily understood language

⁶⁵ *See id.*

⁶⁶ *See Lifeline and Link Up Reform Order* at ¶ 261.

⁶⁷ CGM, LLC is currently the Company's third party contractor.

⁶⁸ *See Lifeline and Link Up Reform Order* at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

substantially the following disclosures in all marketing materials related to the supported service:⁶⁹ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. EZ Reach’s website and printed collateral will also explain the documentation necessary for enrollment, and the details of EZ Reach’s plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.⁷⁰ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, EZ Reach will include the URL link for its website where disclosures will be listed. Additionally, EZ Reach will disclose the company name under which it does business.⁷¹

4. Audits

The *Lifeline and Link Up Reform Order* requires ETCs that draw \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, to hire an independent licensed certified public accounting firm to conduct a biennial audit according to government

⁶⁹ See Attachment M, Exhibit B for a sample advertisement. The Company understands the term “marketing materials” includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Lifeline and Link Up Reform Order* at ¶ 275.

⁷⁰ See *Lifeline and Link Up Reform Order* at ¶ 275.

⁷¹ See *id.*

accounting standards to assess the ETC's overall compliance with the program's requirements.⁷² EZ Reach will comply with this requirement if and when it is approved, including applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.⁷³

C. De-Enrollment

EZ Reach will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁷⁴

If a customer does not respond to the Company's annual verification survey within 30 days, or if EZ Reach has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), EZ Reach will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁷⁵ Similarly, EZ Reach will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary

⁷² See *Lifeline and Link Up Reform Order* at ¶ 291.

⁷³ See *Lifeline and Link Up Reform Order* at ¶ 294. As of the date of filing of this Petition, the audit requirement has not been approved. In fact, on April 13, 2012, the OMB invoked the PRA to prevent this audit requirement from going into effect.

⁷⁴ See *Lifeline and Link Up Reform Order* at ¶ 122.

⁷⁵ See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

address within 30 days.⁷⁶

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,⁷⁷ EZ Reach will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. EZ Reach will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section VI.B.2 above. EZ Reach will provide the subscriber 30 days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be initiated after 30-days of non-usage. EZ Reach will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁷⁸

D. Additional Rule Amendments

1. Terms and Conditions of Service

EZ Reach's Lifeline terms and conditions of service are provided in Attachment M as Exhibit C. These terms and conditions are subject to change as needed, and the most current version will be maintained at www.ezreachmobile.com.

2. Reporting Requirements

EZ Reach will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating

⁷⁶ See *Lifeline and Link Up Reform Order* at ¶ 89.

⁷⁷ See *Lifeline and Link Up Reform Order* at ¶ 214-16.

⁷⁸ See *Lifeline and Link Up Reform Order* at ¶ 257.

companies and affiliates, and any branding (“doing-business-as company” or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁷⁹

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, EZ Reach will comply with the requirements of C.F.R. § 54.407, as revised by the *Lifeline and Link Up Reform Order*.⁸⁰ EZ Reach will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁸¹ and the Company will seek reimbursement for actual lines served, not projected lines.⁸²

VII. DESIGNATION OF EZ REACH AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is “to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies” to all citizens, regardless of geographic location or income.⁸³ There is no question that limited designation of EZ Reach as an ETC in the Non-Jurisdictional States will promote the public

⁷⁹ See *Lifeline and Link Up Reform Order* at ¶ 296, 390. Section 153 of the Act defines “affiliate” as “a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

⁸⁰ See *id* page 221.

⁸¹ See *id* at ¶ 128.

⁸² See *id* at ¶ 302.

⁸³ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

interest by providing low-income consumers in the Non-Jurisdictional States with more affordable and higher quality wireless services. Many low-income consumers have yet to reap the full benefits of the wireless marketplace. Whether because of financial constraints, poor credit or intermittent employment, these consumers often lack access to the benefits that wireless services bring to other consumers.⁸⁴ Designating EZ Reach as an ETC in the Non-Jurisdictional States will enable it to expand the availability of affordable telecommunications services to qualifying consumers, leading to lower prices and increased choice.⁸⁵

The instant request for limited ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating EZ Reach as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the Non-Jurisdictional States—the intended beneficiaries of universal service. The Company's participation in the Lifeline program also undoubtedly would increase opportunities for the company to serve these customers with appealing and affordable service offerings.

A. Advantages of EZ Reach's Service Offering

The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by

⁸⁴ See *supra* note 21.

⁸⁵ See *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730, 20760 ¶ 52 (1996).

mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements. EZ Reach's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. EZ Reach's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks, contracts, or activation fees.

Most importantly, EZ Reach's Lifeline service will provide low-income residents with the convenience and security offered by wireless services—even if their financial position deteriorates. ETC designation in the Non-Jurisdictional States would enable EZ Reach to offer appealing and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for low-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing EZ Reach with the authority necessary to offer discounted Lifeline services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

In sum, ETC designation in the Non-Jurisdictional States would enable EZ Reach to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, EZ Reach would provide “increased consumer choice, high-

quality service offerings, and mobility,”⁸⁶ as well as the safety and security of effective 911 and E911 services.⁸⁷

B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.⁸⁸ Designation of EZ Reach as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of EZ Reach as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.⁸⁹ Designation of EZ Reach as an ETC would offer Lifeline-eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

C. Impact on the Universal Service Fund

EZ Reach’s request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. EZ Reach will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC’s Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link Up Reform Order*, EZ Reach will minimize the

⁸⁶ See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15.

⁸⁷ See *Virgin Mobile Order*, 24 FCC Rcd at 3391 ¶ 23.

⁸⁸ See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

⁸⁹ See 47 U.S.C. § 254(b)(1).

likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support. EZ Reach's ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."⁹⁰

VIII. ANTI-DRUG ABUSE CERTIFICATION

EZ Reach certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

IX. CONCLUSION

As discussed above, designation of EZ Reach as an ETC in the Non-Jurisdictional States accords with the requirements of Section 214(e)(6) of the Act and is in the public interest.

⁹⁰ See *Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A)*, Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

For all of the foregoing reasons, EZ Reach respectfully requests that the Commission designate EZ Reach as an ETC in the Non-Jurisdictional States.

Respectfully submitted,

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

Attorney for EZ REACH MOBILE, LLC

May 10, 2012

Attachment A

Proposed Lifeline Rates

Lifeline Plan 1

250 Anytime Minutes

Net cost to Lifeline customer - \$0 (free)

- No rollover
- No Texting

Lifeline Plan 2

100 Anytime Minutes

Net cost to Lifeline customer - \$0 (free)

- 90 days rollover
- 3 texts per 1 minute of voice

Included in All Plans

- Free handset
- Free calls to 911 emergency services
- Free calls to Customer Service
- Free domestic long distance
- Caller ID, Call Waiting, and Voicemail

Additional Minutes Currently Available:

75 Anytime Additional Minutes	\$5.00
250 Anytime Additional Minutes	\$13.50
500 Anytime Additional Minutes	\$25.00
1000 Anytime Additional Minutes	\$30.00

Attachment B

Affirmative Statement of the Alabama Public Service Commission

Alabama Public Service Commission

Orders

PINE BELT CELLULAR, INC. and PINE BELT PCS, INC.,

Joint Petitioners

PETITION: For ETC status and/or clarification regarding the jurisdiction of the Commission to grant ETC status to wireless carriers.

DOCKET U-4400

ORDER

BY THE COMMISSION:

In a joint pleading submitted on September 11, 2001, Pine Belt Cellular, Inc. and Pine Belt PCS, Inc. (collectively referred to as "Pine Belt") each notified the Commission of their desire to be designated as universal service eligible telecommunications carriers ("ETCs") for purposes of providing wireless ETC service in certain of the non-rural Alabama wireline service territories of BellSouth Telecommunications, Inc. ("BellSouth") and Verizon South, Inc. ("Verizon"). The Pine Belt companies noted their affiliation with Pine Belt Telephone Company, a provider of wireline telephone service in rural Alabama, but clarified that they exclusively provide cellular telecommunications and personal communications (collectively referred to as "CMRS" or "wireless") services in their respective service areas in Alabama in accordance with licenses granted by the Federal Communications Commission ("FCC"). The pivotal issue raised in the joint pleading of Pine Belt companies is whether the Commission will assert jurisdiction in this matter given the wireless status of the Pine Belt companies.

As noted in the filing of the Pine Belt companies, state Commissions have primary responsibility for the designation of eligible telecommunications carriers in their respective jurisdictions for universal service purposes pursuant to 47 USC §214 (e). The Commission indeed established guidelines and requirements for attaining ETC status in this jurisdiction pursuant to notice issued on October 31, 1997.

For carriers not subject to state jurisdiction, however, §214(e)(6) of the Telecommunications Act of 1996 provides that the FCC shall, upon request, designate such carriers as ETCs in non-rural service territories if said carriers meet the requirements of §214(e)(1). In an FCC Public Notice released December 29, 1997 (FCC 97-419) entitled "Procedures for FCC designation of Eligible Telecommunications Carriers pursuant to §214(e)(6) of the Telecommunications Act", the FCC required each applicant seeking ETC designation from the FCC to provide, among other things, "a certification and brief statement of supporting facts demonstrating that the Petitioner is not subject to the jurisdiction of a state Commission."

The Pine Belt companies enclosed with their joint pleading completed ETC application forms as developed by the Commission. In the event the Commission determines that it does not have jurisdiction to act on the Pine Belt request for ETC status, however, the Pine Belt companies seek an affirmative written statement from the Commission indicating that the Commission lacks jurisdiction to grant them ETC status as wireless carriers.

The issue concerning the APSC's jurisdiction over providers of cellular services, broadband personal communications services, and commercial mobile radio services is one that was rather recently addressed by the Commission. The Commission indeed issued a Declaratory Ruling on March 2, 2000, in Docket 26414 which concluded that as the result of certain amendments to the Code of Alabama, 1975 §40-21-120(2) and (1)(a) effectuated in June of 1999, the APSC has no authority to regulate, *in any respect*, cellular services, broadband personal communications services and commercial mobile radio services in Alabama. Given the aforementioned conclusions by the Commission, it seems rather clear that the Commission has no jurisdiction to take action on the Application of the Pine Belt companies for ETC status in this jurisdiction. The Pine Belt companies and all other wireless providers seeking ETC status should pursue their ETC designation request with the FCC as provided by 47 USC §214(e)(6).

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Commission's jurisdiction to grant Eligible Telecommunications Carrier status for universal service purposes does not extend to providers of cellular services, broadband personal communications services, and commercial mobile radio services. Providers of such services seeking Eligible Telecommunications Carrier status should accordingly pursue their requests through the Federal Communications Commission.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 12th day of March, 2002.

ALABAMA PUBLIC SERVICE COMMISSION

Jim Sullivan, President

Jan Cook, Commissioner

George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

Press the Back Arrow to Return to the Search

Return to PSC Home - <http://www.psc.state.al.us/index.htm>

Attachment C

Affirmative Statement of the Connecticut Department of Public Utility Control



STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC UTILITY CONTROL

August 10, 2010
In reply, please refer to:
UR:PAP

Lance J.M. Steinhart, Esquire
1720 Windward Concourse
Suite 115
Atlanta, Georgia 30005

Re: Request for Letter Clarifying Jurisdiction Over Wireless CETC Petitions

Dear Mr. Steinhart:

The Department of Public Utility Control (Department) acknowledges receipt of your July 23, 2010 letter filed on behalf of i-wireless, LLC (i-wireless) seeking clarification as to whether the Department asserts jurisdiction to designate competitive eligible telecommunications carriers (CETC) in Connecticut. According to your letter, i-wireless seeks designation as a CETC in Connecticut and believes that the Department does not assert jurisdiction to designate CETCs in the state and that carriers must apply to the Federal Communications Commission for certification.

The Department has reviewed your request and notes that it has approved requests for CETC status from wireline-based carriers. However, in the instant case, i-wireless is a mobile virtual network operator. The Department does not regulate or license mobile carrier services' rates and charges and therefore, it is not subject to the Department's jurisdiction for the purposes of designating CETC status.

Sincerely,

DEPARTMENT OF PUBLIC UTILITY CONTROL

K. Santopietro (ilaw)

Kimberley J. Santopietro
Executive Secretary

Attachment D

Affirmative Statement of the Delaware Public Service Commission



**STATE OF DELAWARE
PUBLIC SERVICE COMMISSION**

861 SILVER LAKE BOULEVARD
CANNON BUILDING, SUITE 100
DOVER, DELAWARE 19904

TELEPHONE: (302) 736-7500
FAX: (302) 739-4849

August 18, 2010

VIA E-MAIL

Lance J.M. Steinhart, P.C.
1720 Windward Concourse
Suite 115
Alpharetta, Georgia 30005

Dear Mr. Steinhart:

I received your letter on behalf of i-wireless, LLC requesting clarification on Delaware's competitive eligible telecommunication carrier process. This is to confirm that Delaware is a "default" State and, therefore, it is the FCC, not Delaware, that determines eligibility to receive the federally-subsidized price reductions. I am attaching the October 11, 2005 order in PSC Docket No. 05-016T that discusses this issue in a Verizon Delaware, Inc. docket.

I will attach these documents to an e-mail so that you will receive them expeditiously. If you would also like a hard copies of the documents by mail let me know by e-mail and I will forward them to you.

Sincerely

Janis L. Dillard
Acting Executive Director

DOCKET COPY
DO NOT REMOVE FROM OFFICE
BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF DELAWARE

IN THE MATTER OF THE APPLICATION OF)
VERIZON DELAWARE INC., TO MODIFY THE)
LIFELINE SERVICE BY ADDING AN INCOME)
QUALIFIER TO THE ELIGIBILITY CRITERIA)
(FILED JUNE 17, 2005))

PSC DOCKET NO. 05-016T

ORDER NO. 6736

This 11th day of October, 2005, the Commission determines and Orders the following:

1. In the jargon of the federal Lifeline/Link-Up program, Delaware is a "federal default State." Delaware has never, by either state law or state regulation, ordained, nor funded, a stand-alone program to provide discounts on basic telephone services charges for low-income subscribers. Consequently, it was not until 1997, when the Federal Communications Commission ("FCC") revamped the federal Lifeline/Link-Up program, that Delaware subscribers first became eligible for participation in the federal Lifeline program.¹ And given that in a "federal default State" only federally-raised monies are used to reimburse eligible carriers for the Lifeline and Link-Up discounts, it is the FCC, and not the state commission, that gets to call the tune about who should be eligible to receive these federally-subsidized price reductions.

2. Since 1997, Verizon Delaware Inc. ("VZ-DE") has been designated as an "eligible telecommunications carrier" and has offered

¹See PSC Order No. 4684 (Dec. 16, 1997) (summarizing Delaware history and electing to allow "Tier 2" federal support to eligible Delaware subscribers).

federal Lifeline discounts on the federal list of supported services.² And even though in "default" States, Lifeline is almost an exclusively federal program, VZ-DE has, since 1997, filed at the State level, tariff provisions setting forth its Lifeline offerings.³

3. In 2004, the FCC changed some of the "eligibility" rules describing which subscribers may participate in the federal Lifeline/Link-Up program.⁴ In particular, the 2004 amendments added additional programs to the list of "eligible" programs where participation confers federal default Lifeline/Link-Up eligibility.⁵ The 2004 amendments also introduced an additional eligibility criteria premised on the subscriber's household income.⁶ Eligible telecommunications carriers, such as VZ-DE, were given one year to implement this new, additional income-based eligibility criteria.⁷

4. To implement these changes prescribed by the FCC, VZ-DE initially filed revisions to the Lifeline and Link-Up portions of its

²See PSC Order No. 4680 (Dec. 17, 1997) ("ETC" designation for VZ-DE). See also PSC Dckt. No. 97-023T (initial Lifeline tariff filing by VZ-DE).

³From December 2000 through December 2003, VZ-DE offered, under its state tariff, an "expanded" Lifeline program for Delaware. The discounts under such program exceeded the Tiers 1 & 2 levels normally available in a default State. VZ-DE offered this expanded program to fulfill a condition imposed by the FCC in approving the Bell Atlantic-GTE merger. See PSC Order No. 6317 (Dec. 9, 2003) (explaining content and cause of this expanded Lifeline offering). Whether Delaware remained a "default State" during this period when VZ-DE subsidized the deeper discounts is an issue that need now be explored or resolved. This "expanded" program ended in December 2003.

⁴In the Matter of Lifeline and Link-Up, Report and Order and Further NPRM, 19 FCC Rcd. 8302 (FCC 2004) ("Lifeline Order").

⁵47 C.F.R. §§ 54.409(b) (Lifeline eligibility criteria in "default" State); 54.415(b) (Link-Up eligibility criteria in "default" State).

⁶47 C.F.R. §§ 54.409(b), 54.410 (Lifeline); 54.415(b), 54.416 (Link-Up).

⁷47 C.F.R. §§ 54.410(a)(ii), 54.416.

State tariff. These changes incorporated into the State tariff provisions the expanded list of "eligibility-conferring" programs.⁸ At the same time, the Commission Staff began discussions with VZ-DE to determine whether, under the applicable federal default rules, it was appropriate for VZ-DE to continue to include in its State tariff Lifeline provisions language that conditioned Lifeline eligibility on the subscriber foregoing the ability to purchase many optional or vertical services.⁹ Eventually, VZ-DE revised its State tariff Lifeline provisions to delete the questioned restrictions.¹⁰ Then in June 2005, VZ-DE filed another Tariff revision to reflect its implementation of the household-income criteria for eligibility for Lifeline and Link-Up discounts.¹¹ Finally, on September 9, 2005, VZ-DE submitted another set of revised tariff sheets reflecting further textual revisions, as originally suggested by Staff. In part, these final changes sought to make the State tariff's description of how VZ-DE would administer its Lifeline/Link-Up program to more closely parallel the governing federal default rules.¹²

⁸See PSC Dckt. No. 04-017T (filed July 26, 2004; eff. July 27, 2004).

⁹That restriction - limiting Lifeline subscribers to a small group of designated vertical services - had been a continual part of VZ-DE's state-tariffed Lifeline offerings since 1997. In its Lifeline Order, the FCC expressed its belief that "any restriction on the purchase of vertical services may discourage qualified consumers from enrolling and may serve as a barrier to participation in the [Lifeline] program. Lifeline Order at ¶ 53.

¹⁰See PSC Dckt. No. 05-008T (filed April 8, 2005; eff. April 16, 2005).

¹¹See PSC Dckt. No. 05-016T (filed June 17, 2005; eff. June 22, 2005).

¹²See PSC Dckt. No. 05-016T, amended tariff sheets filed on September 9, 2005 but with effective date of June 22, 2005).

5. The Commission enters this Order not so much to "approve" the various Lifeline filings made by VZ-DE but to recount the course of the filings made since the FCC changed its federal Lifeline/Link-Up program in 2004. Indeed, given that Delaware is a "default" State, VZ-DE's Lifeline/Link-Up offerings are governed more by the federal default rules than by any "approved" State tariff provision. Any State tariff provision that might conflict with a federal default rule would necessarily have to yield. However, the Commission will accept the Lifeline and Link-Up tariff filings lodged by VZ-DE. The Commission believes that VZ-DE's last submission (in September 2005) sets forth a Lifeline and Link-Up offering that is consistent with the federal default rules. However, the filing and acceptance of the State tariff provisions should not be seen as foreclosing any later challenge that VZ-DE's program falls short of the federal directives.

Now, therefore, IT IS ORDERED:

1. That, as explained in the body of this Order, the Commission accepts the tariff filings made by Verizon Delaware Inc., to implement its responsibilities to provide federal Lifeline and Link-Up in this "federal default" jurisdiction. In particular, the Commission now accepts the tariff revision filing made September 9, 2005 pertaining to the following leaves in P.S.C.-Del.-No. 1:

Section 20D, Fourteenth Revised Sheet 1 (Link-Up);

Section 20D, Fifth Revised Sheet 2 (Link-Up); and

Section 20E, Eighth Revised Sheet 2 (Lifeline).

2. That the Commission reserves the jurisdiction and authority to enter such further Orders in this matter as may be deemed necessary or proper.

BY ORDER OF THE COMMISSION:

Christy McRae

Chair

Vice Chair

John Corway

Commissioner

John R. Lee

Commissioner

[Signature]

Commissioner

ATTEST:

Norma J. Sherwood
Acting Secretary

Attachment E

Affirmative Statement of the District of Columbia Public Service Commission



Public Service Commission of the District of Columbia
1333 H Street, N.W., 2nd Floor, West Tower
Washington, D.C. 20005
(202) 626-5100
www.dcpssc.org

February 29, 2012

Via First Class & Electronic Mail

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C., Attorney at Law
1725 Windward Concourse, Suite 150
Alpharetta, GA 30005

Dear Mr. Steinhart:

Thank you for your February 23, 2012 letter requesting information on whether the Public Service Commission of the District of Columbia ("Commission") designates wireless telecommunications carriers as eligible telecommunications carriers ("ETC") for the purposes of receiving federal universal service funding. Please be advised that, pursuant to section 34-2006(b) of the District of Columbia Code, the Commission does not have jurisdiction over wireless carriers. Thus, the Commission has no authority to designate wireless telecommunications carriers as ETCs.

Attached please find a copy of the relevant section of the District of Columbia Code for your information. Should you need anything further, please contact Lara Walt at 202-626-9191 or lwalt@psc.dc.gov.

Sincerely,

A handwritten signature in black ink, which appears to read "Richard A. Beverly".

Richard A. Beverly
General Counsel

Enclosure



D.C. Council Home

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Welcome to the online source for the District of Columbia Official Code

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities.

Subtitle V. Telecommunications. Chapter 20. Telecommunications Competition. **→§ 34-2006. Exemptions.**

(a) This chapter shall not apply to cable television services performed pursuant to an existing cable television franchise agreement with the District of Columbia which is in effect on September 9, 1996. To the extent that a cable television company seeks to provide local exchange services within the District of Columbia, such company shall be regulated under the provisions of this chapter for their local exchange services.

(b) Pursuant to the federal Telecommunications Act of 1996, this chapter shall not apply to licensed or unlicensed wireless services authorized by the Federal Communications Commission operating in the District of Columbia.

(c) This chapter shall not:

- (1) Apply to the provision, rates, charges, or terms of service of Voice Over Internet Protocol Service or Internet Protocol-enabled Service;
- (2) Alter the authority of the Commission to enforce the requirements as are otherwise provided for, or allowed by, federal law, including the collection of Telecommunications Relay Service fees and universal service fees;
- (3) Alter the authority of the Office of Cable Television and Telecommunications with respect to the provision of video services in the District of Columbia; or
- (4) Alter the Commission's existing authority over the regulation of circuit-switched local exchange services in the District of Columbia.

CREDIT(S)

(Sept. 9, 1996, D.C. Law 11-154, § 7, 43 DCR 3736; June 5, 2008, D.C. Law 17-165, § 3(c), 55 DCR 5171.)

HISTORICAL AND STATUTORY NOTES

Prior Codifications

1981 Ed., § 43-1456.

Effect of Amendments

D.C. Law 17-165 added subsec. (c).

Legislative History of Laws

For legislative history of D.C. Law 11-154, see Historical and Statutory Notes following § 34-2001.

For Law 17-165, see notes following § 34-403.

References in Text

The federal Telecommunications Act of 1996, referred to in (b), is Pub. L. 104-104, which is codified throughout Title 47 of the United States Code.

DC CODE § 34-2006

Current through January 11, 2012

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Attachment F

Affirmative Statement of the Florida Public Service Commission

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL
S. CURTIS KISER
(850) 413-6199

Public Service Commission

June 2, 2011

Mr. Lance J.M. Steinhart, P.C.
Attorney At Law
1720 Windward Concourse
Suite 115
Alpharetta, GA 30005

Re: Docket No. 110101-TP – i-wireless, LLC's ETC designation

Dear Mr. Steinhart:

We received your May 20, 2011 letter requesting a statement that the Florida Public Service Commission's jurisdiction to grant ETC designation to i-wireless, LLC changed with Governor Scott's approval of HB 1231, the telecom reform bill. In your letter, you mentioned that i-wireless, LLC is a commercial mobile radio service provider.

This letter acknowledges that Governor Scott's approval of HB 1231, the telecom reform bill, revises Chapter 364, Florida Statutes, thereby changing the Commission's jurisdiction regarding telecommunications companies. I direct your attention to Chapter 364, Florida Statutes, including the revisions by HB 1231 for the proposition that the Federal Communications Commission, rather than this Commission is the appropriate agency to consider i-wireless, LLC's bid for ETC status.

Sincerely,

Handwritten signature of S. Curtis Kiser.

S. Curtis Kiser
General Counsel

cc: Beth W. Salak, Director, Division of Regulatory Analysis
Robert J. Casey, Public Utilities Supervisor, Division of Regulatory Analysis
Adam J. Teitzman, Attorney Supervisor, Office of the General Counsel
Ann Cole, Commission Clerk, Office of Commission Clerk

Attachment G

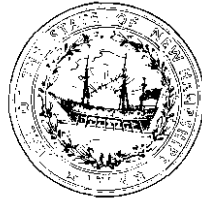
Affirmative Statement of the New Hampshire Public Utilities Commission

THE STATE OF NEW HAMPSHIRE

CHAIRMAN
Thomas B. Getz

COMMISSIONERS
Clifton C. Below
Amy L. Ignatius

EXECUTIVE DIRECTOR
AND SECRETARY
Debra A. Howland



PUBLIC UTILITIES COMMISSION
21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH
1-800-735-2964

Website:
www.puc.nh.gov

March 28, 2011

RE: ETC Certification in New Hampshire

The federal Universal Service Fund (USF) was created by the Federal Communications Commission (FCC) to promote the availability of quality services at just and reasonable rates to all consumers including low-income customers and those in high cost areas and to increase nationwide access to advanced services in schools, libraries and rural health care facilities. To qualify for universal service funding a carrier must first be certified as an Eligible Telecommunications Carrier (ETC) by the state public utilities commission or, if the state does not assert this authority, by the FCC. *See* 47 U.S.C. §214 (e).

The New Hampshire Public Utilities Commission maintains authority to determine whether landline telecommunications carriers qualify as ETCs. Pursuant to New Hampshire RSA 362:6, the Commission has no jurisdiction over mobile radio communications services. Consequently, the state declines jurisdiction over the certification of wireless carriers as ETCs, leaving that responsibility to the FCC.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Anne Ross".

F. Anne Ross

General Counsel

New Hampshire Public Utilities Commission

Attachment H

Affirmative Statement of the New York Public Service Commission

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350
www.dps.state.ny.us

PUBLIC SERVICE COMMISSION

GARRY A. BROWN
Chairman
PATRICIA L. ACAMPORA
MAUREEN F. HARRIS
ROBERT E. CURRY JR.
JAMES L. LAROCCA
Commissioners



PETER McGOWAN
General Counsel
JACLYN A. BRILLING
Secretary

July 28, 2010

VIA EMAIL AND US MAIL

Lance J.M. Steinhart, Esq.
1720 Windward Concourse
Suite 115
Alpharetta, Georgia 30005

Re: Request for Letter Clarifying Jurisdiction Over Wireless CETC Petitions

Dear Mr. Steinhart:

As you requested, enclosed is a letter providing an affirmative statement, required by the FCC, that the New York State Public Service Commission does not assert jurisdiction over CMRS providers seeking Eligible Telecommunications Carrier designation.

Very truly yours,

Maureen J. McCauley
Maureen J. McCauley
Assistant Counsel

Enc.

cc: Hon. Jaclyn A. Brillling, Secretary

STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE
THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350
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PUBLIC SERVICE COMMISSION

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Commissioners



PETER MCGOWAN
General Counsel

JACLYN A. BRILLING
Secretary

July 28, 2010

TO WHOM IT MAY CONCERN:

Re: i-wireless CMRS Jurisdiction

We have received a letter from i-wireless, LLC (i-wireless), requesting a statement that the New York State Public Service Commission does not exercise jurisdiction over CMRS providers for the purpose of making determinations regarding Eligible Telecommunications Carrier designations under section 214 (e)(6) of 47 U.S.C. In response to this request, please be advised that section 5 (6)(a) of the New York State Public Service Law provides that:

Application of the provisions of this chapter to cellular telephone services is suspended unless the commission, no sooner than one year after the effective date of this subdivision, makes a determination, after notice and hearing, that suspension of the application of provisions of this chapter shall cease to the extent found necessary to protect the public interest.

The New York State Public Service Commission has not made a determination as of this date that regulation should be reinstituted under section 5 (6)(a) of the Public Service Law. Consequently, based on the representation by i-wireless that it is a mobile virtual network operator reselling wireless services, i-wireless would not be subject to New York State Public Service Commission jurisdiction for the purpose of making an Eligible Telecommunications Carrier designation.

Very truly yours,

Maureen J. McCauley
Maureen J. McCauley
Assistant Counsel

Attachment I

Affirmative Statement of the North Carolina Public Utilities Commission

**STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH**

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Designation of Carriers Eligible for Universal)
Carrier Support) ORDER GRANTING PETITION

BY THE COMMISSION: On August 22, 2003, North Carolina RSA3 Cellular Telephone Company, d/b/a Carolina West (Carolina West), a commercial mobile radio service (CMRS) provider, filed a Petition seeking an affirmative declaratory ruling that the Commission lacks jurisdiction to designate CMRS carrier eligible telecommunications carrier (ETC) status for the purposes of receiving federal universal service support.

In support of its Petition, Carolina West stated that it was a CMRS provider authorized by the Federal Communications Commission (FCC) to provide cellular mobile radio telephone service in North Carolina, and that the FCC had clearly recognized that CMRS carriers such as Carolina West may be designated as ETCs. ETC status is necessary for a provider to be eligible to receive universal service support. Section 214(e)(6) of the Telecommunications Act provides that if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC is charged with making the ETC determination. The FCC has stated that, in order for the FCC to consider requests pursuant to this provision, a carrier must provide an "affirmative statement" from the state commission or court of competent jurisdiction that the state lacks jurisdiction to perform the designation. To date, several state commissions have declined to exercise such jurisdiction.

North Carolina has excluded CMRS from the definition of "public utility." See, G.S. 62-3(23)j. Pursuant to this, the Commission issued its Order Concerning Deregulation of Wireless Providers in Docket Nos. P-100, Sub 114 and Sub 124 on August 28, 1995, concluding that the Commission no longer has jurisdiction over cellular services. Accordingly, Carolina West has now requested the Commission to issue an Order stating that it does not have jurisdiction to designate CMRS carriers ETC status for the purposes of receiving federal universal service support.

WHEREUPON, the Commission reaches the following

CONCLUSIONS

After careful consideration, the Commission concludes that it should grant Carolina West's Petition and issue an Order stating that it lacks jurisdiction to designate ETC status

for CMRS carriers. As noted above, in its August 28, 1995, Order in Docket Nos. P-100, Sub 114 and Sub 124, the Commission observed that G.S. 62-3(23)j, enacted on July 29, 1995, has removed cellular services, radio common carriers, personal communications services, and other services then or in the future constituting a mobile radio communications service from the Commission's jurisdiction. 47 USC 3(41) defines a "state commission" as a body which "has regulatory jurisdiction with respect to the intrastate operation of carriers." Pursuant to 47 USC 214(e)(6), if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC must determine which carriers in that class may be designated as ETCs. Given these circumstances, it follows that the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC. Accord., Order Granting Petition, ALLTEL Communications, Inc., June 24, 2003.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Patricia Swenson".

Patricia Swenson, Deputy Clerk

pb082503.01

Attachment J

Affirmative Statement of the Tennessee Regulatory Authority

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 11, 2003

IN RE:

APPLICATION OF ADVANTAGE CELLULAR
SYSTEMS, INC. TO BE DESIGNATED AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER

)
)
)
)
)

DOCKET NO.
02-01245

ORDER

This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned in this docket, at the regularly scheduled Authority Conference held on January 27, 2003, for consideration of the *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier* ("Application") filed on November 21, 2002.

Background

Advantage Cellular Systems, Inc. ("Advantage") is a commercial mobile radio service provider ("CMRS") seeking designation as an Eligible Telecommunications Carrier ("ETC") by the Authority pursuant to 47 U.S.C. §§ 214 and 254. In its *Application*, Advantage asserts that it seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc., a rural cooperative telephone company. Advantage maintains that it meets all the necessary requirements for ETC status and therefore is eligible to receive universal service support throughout its service area.

The January 27, 2003 Authority Conference

During the regularly scheduled Authority Conference on January 27, 2003, the panel of Directors assigned to this docket deliberated Advantage's *Application*. Of foremost consideration was the issue of the Authority's jurisdiction. The panel unanimously found that the Authority lacked

jurisdiction over Advantage for ETC designation purposes.¹

This conclusion was implicitly premised on Tenn. Code Ann. § 65-4-104, which provides that:

The Authority has general supervisory and regulatory power, jurisdiction and control over all public utilities and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter.

For purposes of Tenn. Code Ann. § 65-4-104, the definition of public utilities specifically excludes, with certain exceptions not relevant to this case, “[a]ny individual, partnership, copartnership, association, corporation or joint stock company offering domestic public cellular radio telephone service authorized by the federal communications commission.”

The Authority’s lack of jurisdiction over CMRS providers implicates 47 U.S.C. § 214(e), which addresses the provision of universal service. Where common carriers seeking universal service support are not subject to a state regulatory commission’s jurisdiction, 47 U.S.C. § 214(e)(6) authorizes the Federal Communications Commission (“FCC”) to perform the ETC designation.²

¹ This finding is not inconsistent with the Authority’s decision in *In re: Universal Service Generic Contested Case*, Docket 97-00888, *Interim Order on Phase I of Universal Service*, pp. 53-57 (May 20, 1998), in which the Authority required intrastate telecommunications carriers to contribute to the intrastate Universal Service Fund including telecommunications carriers not subject to authority of the TRA. The decision in Docket No. 97-00888 was based primarily on 47 U.S.C. § 254(f) which authorizes states to adopt regulations not inconsistent with the Federal Communications Commission’s rules on Universal Service and specifically requires every telecommunications carrier that provides intrastate telecommunications services to contribute to the preservation and advancement of universal service in that state. The *Interim Order* was issued prior to the effective date of 47 U.S.C. § 214(e)(6).

² 47 U.S.C. § 214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

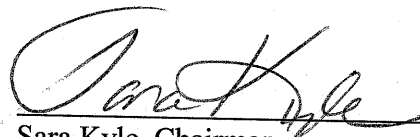
In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law. Upon request and consistent with the public interest, convenience and necessity, the Commission may, with respect to an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated under this paragraph, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest.

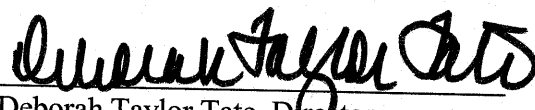
As a matter of "state-federal comity," the FCC requires that carriers seeking ETC designation "first consult with the state commission to give the state commission an opportunity to interpret state law."³ Most carriers that are not subject to a state regulatory commission's jurisdiction seeking ETC designation must provide the FCC "with an affirmative statement from a court of competent jurisdiction or the state commission that it lacks jurisdiction to perform the designation."⁴

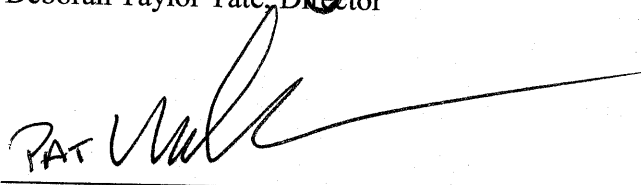
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

IT IS THEREFORE ORDERED THAT:

The Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier is dismissed for lack of subject matter jurisdiction.


Sara Kyle, Chairman


Deborah Taylor Tate, Director


Pat Miller, Director

³ *In the Matter of Federal-State Joint Bd. on Universal Service*, CC Docket No. 96-45, *Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, 15 F.C.C.R. 12208, 12264, ¶ 113 (June 30, 2000).

⁴ *See id.* (The "affirmative statement of the state commission may consist of any duly authorized letter, comment, or state commission order indicating that it lacks jurisdiction to perform designations over a particular carrier.")

Attachment K

Affirmative Statement of the Virginia Corporation Commission

STATE CORPORATION COMMISSION DOCUMENT CONTROL

AT RICHMOND, APRIL 9, 2004

IN RE:

2004 APR -9 A 11:46

APPLICATION OF VIRGINIA CELLULAR LLC

CASE NO. PUC-2001-00263

For designation as an eligible
telecommunications provider under
47 U.S.C. § 214(e) (2)

ORDER INVITING COMMENTS AND/OR REQUESTS FOR HEARING

On December 21, 2001, Virginia Cellular LLC ("Virginia Cellular") filed an application with the State Corporation Commission ("Commission") for designation as an eligible telecommunications carrier ("ETC"). This was the first application by a Commercial Mobile Radio Service ("CMRS") carrier for ETC designation.¹ Pursuant to the Order Requesting Comments, Objections, or Requests for Hearing, issued by the Commission on January 24, 2002, the Virginia Telecommunications Industry Association and NTELOS Telephone Inc. ("NTELOS") filed their respective comments and requests for hearing on February 20, 2002. Virginia Cellular filed Reply Comments on March 6, 2002. Our Order of April 9, 2002, found that § 214(e)(6) of the Act is applicable to Virginia Cellular's application because this Commission has not asserted jurisdiction over CMRS carriers and that Virginia Cellular should apply to the Federal Communications Commission ("FCC") for ETC designation.

Virginia Cellular filed its Petition for Designation as an Eligible Telecommunications Carrier in the State of Virginia with the FCC on April 26, 2002. On January 22, 2004, the FCC released its order designating Virginia Cellular as an ETC in specific portions of its licensed

¹ Virginia Cellular is a CMRS carrier as defined in 47 U.S.C. § 153(27) and is authorized as the "A-band" cellular carrier for the Virginia 6 Rural Service Area, serving the counties of Rockingham, Augusta, Nelson, and Highland and the cities of Harrisonburg, Staunton, and Waynesboro.

service area in the Commonwealth of Virginia subject to certain conditions ("FCC's January 22, 2004, Order").²

The FCC's January 22, 2004, Order further stated that Virginia Cellular's request to redefine the service areas of Shenandoah Telephone Company ("Shentel") and MGW Telephone Company ("MGW") in Virginia pursuant to § 214(3)(5) of the Telecommunications Act of 1996 ("Act") was granted subject to the agreement of this Commission. On March 2, 2004, the FCC filed its January 22, 2004, Order as a petition in this case.³

Section 214(e)(5) of the Act states:

SERVICE AREA DEFINED. - The term "service area" means a geographic area established by a State commission (or the Commission under paragraph (6)) for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless and until the Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

In this instance, the FCC has determined that the service areas of Shentel and MGW, which are both rural telephone companies under the Act, should be redefined as requested by Virginia Cellular.⁴ The FCC further recognizes that the "Virginia Commission's first-hand knowledge of the rural areas in question uniquely qualifies it to determine the redefinition proposal and examine whether it should be approved."⁵

² CC Docket No. 96-45, *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*.

³ See paragraph 45 of the FCC's January 22, 2004, Order. The FCC, in accordance with § 54.207(d) of its rules, requests that the Virginia Commission treat this Order as a petition to redefine a service area under § 54.207(d)(1) of the FCC's rules. A copy of the petition can be obtained from the Commission's website at: <http://www.state.va.us/scc/caseinfo.htm>.

⁴ The FCC denied Virginia Cellular's request to redefine the study area of NTELOS. See paragraph 50 of the FCC's January 22, 2004, Order.

⁵ The FCC's January 24, 2004, Order at paragraph 2. (citations omitted)

The Commission finds that interested parties should be afforded the opportunity to comment and/or request a hearing regarding the FCC's petition to redefine the service areas of Shentel and MGW. We note that the FCC believes that its proposed redefinition of these service areas should not harm either Shentel or MGW.⁶ However, we request any interested party to specifically address in its comments whether our agreeing to the FCC's proposal to redefine the service areas of Shentel and MGW would harm these companies.

NOW UPON CONSIDERATION of all the pleadings of record and the applicable law, the Commission is of the opinion that interested parties should be allowed to comment or request a hearing regarding the FCC's proposed redefinition of Shentel's and MGW's service areas.

Accordingly, IT IS ORDERED THAT:

(1) Any interested party desiring to comment regarding the redefinition of Shentel's and MGW's service areas may do so by directing such comments in writing on or before May 7, 2004, to Joel H. Peck, Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.state.va.us/scc/caseinfo.htm>.

(2) On or before May 7, 2004, any interested party wishing to request a hearing regarding the redefinition of Shentel's and MGW's service areas shall file an original and fifteen (15) copies of its request for hearing in writing with the Clerk of the Commission at the address set forth above. Written requests for hearing shall refer to Case No. PUC-2001-00263 and shall include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in the matter.

⁶ See paragraphs 43 and 44 of the FCC's January 22, 2004, Order.

(3) On or before June 1, 2004, interested parties may file with the Clerk of the Commission an original and fifteen (15) copies of any responses to the comments and requests for hearing filed with the Commission. A copy of the response shall be delivered to any person who filed comments or requests for hearing.

(4) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: each local exchange telephone company licensed to do business in Virginia, as shown on Attachment A hereto; David A. LaFuria, Esquire, Lukas, Nace, Gutierrez & Sachs, Chartered, 1111 19th Street, N.W., Suite 1200, Washington, D.C. 20036; Thomas Buckley, Attorney-Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554; Virginia Telecommunications Industry Association, c/o Richard D. Gary, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074; L. Ronald Smith, President and General Manager, Shenandoah Telephone Company, P.O. Box 105, Williamsville, Virginia 24487; Lori Warren, Director of Regulatory Affairs, MGW Telephone Company, P.O. Box 459, Edinburg, Virginia 22824-0459; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Divisions of Communications, Public Utility Accounting, and Economics and Finance.

Attachment L

Coverage Area

State	SAC	Study Area Name	Rural (R) or Non-Rural (N)
AL	250282	BLOUNTSVILLE TEL CO	R
AL	250283	BRINDLEE MOUNTAIN	R
AL	250284	BUTLER TEL CO	R
AL	250285	CASTLEBERRY TEL CO	R
AL	250286	NATIONAL OF ALABAMA	R
AL	250290	FARMERS TELECOM COOP	R
AL	250295	GRACEBA TOTAL COMM	R
AL	250298	GULF TEL CO - AL	R
AL	250299	HAYNEVILLE TEL CO	R
AL	250300	HOPPER TELECOMM. CO.	R
AL	250301	FRONTIER-LAMAR CNTY	R
AL	250302	WINDSTREAM AL	R
AL	250304	MILLRY TEL CO	R
AL	250305	MON-CRE TEL COOP	R
AL	250306	FRONTIER COMM.-AL	R
AL	250307	MOUNDVILLE TEL CO	R
AL	250308	NEW HOPE TEL COOP	R
AL	250311	OAKMAN TEL CO (TDS)	R
AL	250312	OTELCO TELEPHONE LLC	R
AL	250314	PEOPLES TEL CO	R
AL	250315	PINE BELT TEL CO	R
AL	250316	RAGLAND TEL CO	R
AL	250317	ROANOKE TEL CO	R
AL	250318	FRONTIER COMM-SOUTH	R
AL	250322	UNION SPRINGS TEL CO	R
AL	255181	SO CENTRAL BELL-AL	N
AL	259788	CENTURYTEL-AL-SOUTH	N
AL	259789	CENTURYTEL-AL-NORTH	N
CT	132454	THE WOODBURY TEL CO	R
CT	135200	SOUTHERN NEW ENGLAND	N
DC	575020	VERIZON WA, DC INC.	N
DE	565010	VERIZON DELAWARE INC	N
FL	210291	GTC, INC.	R
FL	210318	FRONTIER COMM-SOUTH	R
FL	210328	VERIZON FLORIDA	N
FL	210329	GTC, INC.	R
FL	210330	SMART CITY TEL LLC	R
FL	210331	ITS TELECOMM. SYS.	R
FL	210335	NORTHEAST FLORIDA	R
FL	210336	WINDSTREAM FL	R
FL	210338	QUINCY TEL CO-FL DIV	R
FL	210339	GTC, INC.	R
FL	210341	EMBARQ FLORIDA INC. FKA SPRINT	R
NC	230468	ATLANTIC MEMBERSHIP	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
NC	230469	BARNARDSVILLE TEL CO	R
NC	230470	CAROLINA TEL & TEL	R
NC	230471	CENTEL OF NC	R
NC	230473	CITIZENS TEL CO	R
NC	230474	CONCORD TEL CO	R
NC	230476	WINDSTREAM NC	R
NC	230478	ELLERBE TEL CO	R
NC	230479	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230483	LEXCOM TELEPHONE CO.	R
NC	230485	MEBTEL, INC.	R
NC	230491	N.ST. DBA N. ST.COMM	R
NC	230494	PINEVILLE TEL CO	R
NC	230495	RANDOLPH TEL CO	R
NC	230496	RANDOLPH MEMBERSHIP	R
NC	230497	PIEDMONT MEMBERSHIP	R
NC	230498	SALUDA MOUNTAIN TEL	R
NC	230500	SERVICE TEL CO	R
NC	230501	SKYLINE MEMBERSHIP	R
NC	230502	STAR MEMBERSHIP CORP	R
NC	230503	SURRY MEMBERSHIP	R
NC	230505	TRI COUNTY TEL MEMBR	R
NC	230509	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230510	WILKES MEMBERSHIP	R
NC	230511	YADKIN VALLEY TEL	R
NC	230864	VERIZON SOUTH INC. DBA NORTH CAROLINA	N
NC	235193	SOUTHERN BELL-NC	N
NH	120038	BRETTON WOODS TEL CO	R
NH	120039	GRANITE STATE TEL	R
NH	120042	DIXVILLE TEL CO	R
NH	120043	DUNBARTON TEL CO	R
NH	120045	KEARSARGE TEL CO	R
NH	120047	MERRIMACK COUNTY TEL	R
NH	120049	UNION TEL CO	R
NH	120050	WILTON TEL CO - NH	R
NH	123321	MCTA, INC.	R
NH	125113	NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC	N
NY	150071	ARMSTRONG TEL CO-NY	R
NY	150072	FRONTIER-AUSABLE VAL	R
NY	150073	BERKSHIRE TEL CORP	R
NY	150076	CASSADAGA TEL CORP	R
NY	150077	CHAMPLAIN TEL CO	R
NY	150078	CHAUTAUQUA & ERIE	R
NY	150079	CHAZY & WESTPORT	R
NY	150081	CITIZENS HAMMOND NY	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
NY	150084	TACONIC TEL CORP	R
NY	150085	CROWN POINT TEL CORP	R
NY	150088	DELHI TEL CO	R
NY	150089	DEPOSIT TEL CO	R
NY	150091	DUNKIRK & FREDONIA	R
NY	150092	EDWARDS TEL CO	R
NY	150093	EMPIRE TEL CORP	R
NY	150095	FISHERS ISLAND TEL	R
NY	150097	GERMANTOWN TEL CO	R
NY	150099	HANCOCK TEL CO	R
NY	150100	FRONTIER COMM OF NY	R
NY	150104	MARGARETVILLE TEL CO	R
NY	150105	MIDDLEBURGH TEL CO	R
NY	150106	WINDSTREAM NY-FULTON	R
NY	150107	NEWPORT TEL CO	R
NY	150108	NICHOLVILLE TEL CO	R
NY	150109	WINDSTREAM-JAMESTOWN	R
NY	150110	OGDEN TEL DBA FRNTER	R
NY	150111	ONEIDA COUNTY RURAL	R
NY	150112	ONTARIO TEL CO, INC.	R
NY	150113	WINDSTREAM RED JACKT	R
NY	150114	ORISKANY FALLS TEL	R
NY	150116	PATTERSONVILLE TEL	R
NY	150118	PORT BYRON TEL CO	R
NY	150121	FRONTIER-ROCHESTER	N
NY	150121	FRONTIER-ROCHESTER	R
NY	150122	FRONTIER-SENECA GORH	R
NY	150125	STATE TEL CO	R
NY	150128	FRONTIER-SYLVAN LAKE	R
NY	150129	TOWNSHIP TEL CO	R
NY	150131	TRUMANSBURG TEL CO.	R
NY	150133	VERNON TEL CO	R
NY	150135	WARWICK VALLEY-NY	R
NY	154532	CITIZENS-FRONTIER-NY	R
NY	154533	CITIZENS-FRONTIER-NY	R
NY	154534	CITIZENS-FRONTIER-NY	R
NY	155130	VERIZON NEW YORK	N
TN	290280	ARDMORE TEL CO	R
TN	290552	CENTURYTEL-ADAMSVILL	R
TN	290553	BEN LOMAND RURAL	R
TN	290554	BLEDSE TEL COOP	R
TN	290557	CENTURY-CLAIBORNE	R
TN	290559	CONCORD TEL EXCHANGE	R
TN	290561	CROCKETT TEL CO	R

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
TN	290562	DEKALB TEL COOP	R
TN	290565	HIGHLAND TEL COOP-TN	R
TN	290566	HUMPHREY'S COUNTY	R
TN	290567	UNITED INTER-MT-TN	R
TN	290570	LORETTO TEL CO	R
TN	290571	MILLINGTON TEL CO	R
TN	290573	NORTH CENTRAL COOP	R
TN	290574	CENTURYTEL-OOLTEWAH	R
TN	290575	TENNESSEE TEL CO	R
TN	290576	PEOPLES TEL CO	R
TN	290578	TELLICO TEL CO	R
TN	290579	TWIN LAKES TEL COOP	R
TN	290580	CTZENS-FRNTR-VOL ST	R
TN	290581	UTC OF TN	R
TN	290583	WEST TENNESSEE TEL	R
TN	290584	YORKVILLE TEL COOP	R
TN	290598	WEST KENTUCKY RURAL TELEPHONE	R
TN	294336	CITIZENS-FRONTIER-TN	R
TN	295185	SO. CENTRAL BELL -TN	N
VA	190217	AMELIA TEL CORP	R
VA	190219	BUGGS ISLAND COOP	R
VA	190220	BURKE'S GARDEN TEL	R
VA	190225	CITIZENS TEL COOP	R
VA	190226	NTELOS, INC.	R
VA	190233	VERIZON S-VA(CONTEL)	N
VA	190237	HIGHLAND TEL COOP	R
VA	190238	MGW TEL. CO. INC.	R
VA	190239	NEW HOPE TEL COOP	R
VA	190243	PEMBROKE TEL COOP	R
VA	190244	PEOPLES MUTUAL TEL	R
VA	190248	SCOTT COUNTY COOP	R
VA	190249	ROANOKE & BOTETOURT	R
VA	190250	SHENANDOAH TEL CO	R
VA	190253	VIRGINIA TEL CO	R
VA	190254	CENDEL OF VIRGINIA	R
VA	190479	VERIZON SOUTH-VA	R
VA	190567	UNITED INTER-MT-VA	R
VA	193029	NEW CASTLE TEL. CO.	R
VA	195040	VERIZON VIRGINIA INC	N
VA	197251	SHENANDOAH TELEPHONE COMPANY - NR	R

Attachment M

EZ REACH MOBILE, LLC's Compliance Plan

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of the)	
)	
Telecommunications Carriers Eligible for)	WC Docket No. 09-197
Universal Service Support)	
)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization)	
)	
EZ REACH MOBILE, LLC)	
Compliance Plan)	

EZ REACH MOBILE, LLC'S COMPLIANCE PLAN

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

Attorney for EZ REACH MOBILE, LLC

May 1, 2012

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EZ REACH MOBILE, LLC’S COMPLIANCE PLAN

I. INTRODUCTION

EZ REACH MOBILE, LLC (“EZ Reach” or the “Company”) is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission (“FCC” or “Commission”) has forbore from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.¹ EZ Reach will avail itself of the FCC’s conditional grant of forbearance and, by its attorney, hereby files its Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the

¹ *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Order*”).

Order.² Given the severe economic environment that is forcing many low-income customers to forego wireless service, EZ Reach respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

II. BACKGROUND

In the *Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:³

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier’s various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

III. EZ REACH WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

EZ Reach will comply with all conditions set forth in the *Order*, the provision of this

² Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements. EZ Reach will follow the requirements of the FCC’s Lifeline rules and this Compliance Plan in all states in which it provides Lifeline service and receives reimbursements from the federal Low-Income fund.

³ See *Order* at ¶¶ 368, 373 and 379.

Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

A. Access to 911 and E911 Services

In the *Order*, the Commission requires EZ Reach to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.⁴ The Commission and consumers are hereby assured that all EZ Reach customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from EZ Reach handsets even if the account associated with the handset has no minutes remaining.

B. E911-Compliant Handsets

The Commission also conditioned its grant of forbearance determination on EZ Reach providing only E911-compliant handsets to its Lifeline customers.⁵ EZ Reach will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing EZ Reach customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well.

C. Consumer Eligibility and Enrollment

EZ Reach will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, EZ

⁴ See *Order* at ¶ 373.

⁵ See *id.*

Reach will rely on the state identification or database.⁶ In instances where EZ Reach is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

1. One-Per-Household

EZ Reach understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”⁷ Upon receiving an application for Lifeline support, EZ Reach will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. EZ Reach will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If EZ Reach determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, EZ Reach will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, EZ Reach will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s income; and (4) the penalty for a consumer’s failure to make the required

⁶ See Order at ¶ 98.

⁷ See Order at ¶ 74.

one-per-household certification (i.e., de-enrollment).⁸ EZ Reach will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a draft sample of which is attached,⁹ EZ Reach will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O. Box or General Delivery address).¹⁰ EZ Reach will inquire on its certification forms whether or not the applicant's address is a temporary one.¹¹ If it is, EZ Reach will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of EZ Reach's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, EZ Reach will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.¹² If the subscriber has moved, EZ Reach will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.¹³

As detailed below, EZ Reach's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or

⁸ See *Order* at ¶ 78.

⁹ See Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

¹⁰ See *Order* at ¶ 85.

¹¹ See *Order* at ¶ 89.

¹² See *Order* at ¶ 85.

¹³ See *id.*

advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. EZ Reach's application form will identify that it is a "Lifeline" application. EZ Reach will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

EZ Reach's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. EZ Reach's Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual,

including another eligible low-income consumer.

EZ Reach will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.¹⁴

¹⁴ See *Order* at ¶ 168.

The Company will primarily enroll Lifeline applicants in person at community events. When a prospective customer applies at an event, Company employees, agents or representatives (“personnel”) will ask to see a government issued ID and will validate the address via a USPS/Melissa Database and simultaneously input the name/address combination into CGM, LLC’s aggregate duplicate database (see section III.D below) to confirm that the applicant is not already receiving a Lifeline subsidy from EZ Reach or any other CGM client. In cases where an eligibility database exists, store personnel will contact the Company’s internal group dedicated to verifying eligibility who will query the database and either approve or deny the applicant. In states where eligibility databases are not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. EZ Reach’s Lifeline application contains an “Office Use Only” section, which must be completely filled out and signed by Company personnel in order to record information about the specific documentation reviewed as part of the eligibility verification process. Eligibility documents are returned to the customer after review. Finally, EZ Reach personnel will verbally explain the certifications to consumers before they initial the required disclosures and sign the application. Once the Lifeline application is complete, it is scanned into the Company’s database. Upon successful completion of the certification process, the customer is allowed to choose a service plan and receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, EZ Reach will mail the phone to the customer once verification of eligibility is complete. The customer’s account is then activated upon the customer’s personal initiation or actual use of the phone.

EZ Reach may also enroll customers at retail stores, in which case the protocol for signing up customers closely resembles the process at an event. Company employees, agents or

representatives are able to access necessary databases (USPS/Melissa, duplicates database, eligibility databases) to verify eligibility, and, when required, can personally review eligibility based on proof of income or program participation. Company personnel are able to verbally review the required disclosures with applicants and obtain the completed application form in person. Phones are delivered upon successful completion of the certification process, as detailed above.

With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. The Company then has the information needed to qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, EZ Reach is able to complete the eligibility verification process and deliver phones to eligible customers by mail.

When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. EZ Reach will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.¹⁵ The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, EZ Reach is able to complete the eligibility verification process and deliver phones to eligible customers by mail. EZ Reach will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, EZ Reach will check the eligibility of low-income consumers first by accessing

¹⁵ See *Order* at ¶ 123.

state or federal social services electronic eligibility databases, where available.¹⁶ If a database is used to establish eligibility, EZ Reach will not require documentation of the consumer's participation in a qualifying federal program; instead, EZ Reach or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.¹⁷ However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for EZ Reach to check electronic databases for eligibility, EZ Reach will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.¹⁸ EZ Reach will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility.¹⁹ EZ Reach understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases EZ Reach remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.²⁰

EZ Reach provides employees, agents, and representatives with training designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent, or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the

¹⁶ See Order at ¶ 97.

¹⁷ See Order at ¶ 98.

¹⁸ See Order at ¶ 99.

¹⁹ See Order at ¶ 101.

²⁰ See Order at ¶ 110.

Lifeline program training discusses the Company's Lifeline application form (see Exhibit A) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate an employee's ability to explain each item contained therein and answer any customer questions.

3. Annual Re-Certification

EZ Reach understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.²¹ By December 31, 2012, EZ Reach will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.²² The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. EZ Reach will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. EZ Reach understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.²³

Alternatively, where a database containing consumer eligibility data is available, EZ Reach (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the

²¹ See *Order* at ¶ 130.

²² See *id.*

²³ See *Order* at ¶ 132.

date of re-certification. If a subscriber's address cannot be verified through the state data, EZ Reach will contact the subscriber every year during the annual certification process to obtain a valid address.²⁴ After 2012, EZ Reach will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.²⁵

EZ Reach will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of EZ Reach's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state, and

(2) that the Company is in compliance with all federal Lifeline certification procedures.²⁶

D. Other Reforms to Eliminate Waste, Fraud and Abuse

EZ Reach shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally.

EZ Reach has implemented enrollment procedures designed to prevent subsidies for

²⁴ See Order at ¶ 131.

²⁵ See Order at ¶ 133.

²⁶ See Order at ¶ 126-27.

duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC of Roswell, Georgia, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, EZ Reach ensures that it does not over-request from support funds.

As detailed in section III.C.2, EZ Reach first validates each applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, EZ Reach requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, EZ Reach verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, EZ Reach checks any available eligibility database. If one is not available, the applicant is required to provide proof of income or program participation. This prevents ineligible applicants from receiving the subsidy.

EZ Reach verifies the address of the applicant first via the applicant's government issued ID, then validates the address via a USPS/Melissa Database to ensure the address is correct. This then prompts the representative to detail the one-per-household rule with the applicant. EZ Reach intends to develop its provisioning platform so that the name/address combination can simultaneously be dipped into CGM's aggregate duplicate database to confirm that the applicant is

not already receiving a Lifeline subsidy from EZ Reach or any other CGM client.

1. National Lifeline Accountability Database

EZ Reach will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, EZ Reach will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.²⁷ EZ Reach will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.²⁸

Furthermore, on its certification form, EZ Reach will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.²⁹

Within 30 days following Commission notice that the database is capable of accepting queries, EZ Reach will query the database to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from the Fund.³⁰

2. Subscriber Usage

EZ Reach will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the

²⁷ See *Order* at ¶ 189.

²⁸ See *Order* at ¶ 190.

²⁹ See *Order*, Appendix C.

³⁰ See *Order* at ¶ 203.

subscriber. Furthermore, EZ Reach will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.³¹ EZ Reach will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.³² An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.³³ EZ Reach will utilize tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.³⁴ After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. EZ Reach will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.³⁵

3. Marketing & Outreach

EZ Reach will implement the measures outlined herein to help ensure that only eligible

³¹ See Order at ¶ 257.

³² See *id.*

³³ See Order at ¶ 261.

³⁴ CGM, LLC is currently the Company's third party contractor.

³⁵ See Order at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. EZ Reach will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:³⁶ (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. EZ Reach's website and printed collateral will explain the documentation necessary for enrollment, and the details of EZ Reach's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.³⁷ For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, EZ Reach will include the URL link for its website where disclosures will be listed. Additionally, EZ Reach will disclose the company name under which it does business.³⁸

4. Audits

If EZ Reach draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to

³⁶ See Exhibit B for a sample advertisement. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See Order* at ¶ 275.

³⁷ *See Order* at ¶ 275.

³⁸ *See id.*

assess EZ Reach's overall compliance with the program's requirements.³⁹ EZ Reach will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.⁴⁰

E. De-Enrollment

EZ Reach will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).⁴¹

If a customer does not respond to the Company's annual verification survey within 30 days, or if EZ Reach has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), EZ Reach will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.⁴² Similarly, EZ Reach will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.⁴³

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated

³⁹ See Order at ¶ 291.

⁴⁰ See Order at ¶ 294.

⁴¹ See Order at ¶ 122.

⁴² See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

⁴³ See Order at ¶ 89.

Duplicate Scrubbing Process,⁴⁴ EZ Reach will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. EZ Reach will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. EZ Reach will provide the subscriber 30 days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be initiated after 30-days of non-usage. EZ Reach will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.⁴⁵

F. Additional Rule Amendments

1. Terms and Conditions of Service

EZ Reach has attached as Exhibit C its Lifeline terms and conditions of service. The Company's Lifeline offering is summarized in section IV.C below. These terms and conditions are subject to change as needed, and the most current version may be found at www.ezreachmobile.com.

2. Reporting Requirements

EZ Reach will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income

⁴⁴ See Order at ¶ 214-16.

⁴⁵ See Order at ¶ 257.

consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.⁴⁶

3. Reimbursement from USAC

In seeking reimbursement for Lifeline, EZ Reach will comply with the requirements of C.F.R. § 54.407, as revised by the *Order*.⁴⁷ EZ Reach will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,⁴⁸ and the Company will seek reimbursement for actual lines served, not projected lines.⁴⁹

4. Section 54.202 Certifications

EZ Reach certifies the following in accordance with newly amended C.F.R. § 54.202: (1) EZ Reach will comply with the service requirements applicable to the support that it receives; (2) EZ Reach is able to remain functional in emergency situations; (3) EZ Reach will satisfy applicable consumer protection and service quality standards.

IV. COMPANY INFORMATION

EZ Reach is a Georgia limited liability company. EZ Reach will provide prepaid wireless telecommunications services to consumers by using the network of its underlying carrier(s), currently Sprint Spectrum L.P. (“Sprint”). Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to resellers like EZ Reach. EZ Reach will obtain from Sprint the network infrastructure and transmission facilities to allow EZ Reach to operate as a Mobile Virtual

⁴⁶ See *Order* at ¶¶ 296, 390. Section 153 of the Communications Act defines “affiliate” as “a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.”

⁴⁷ See *Order* page 221.

⁴⁸ See *Order* at ¶ 128.

⁴⁹ See *Order* at ¶ 302.

Network Operator (“MVNO”).

A. Names and Identifiers

EZ Reach Mobile, LLC and does not have any holding companies, operating companies or affiliates.

B. Financial and Technical Capability

EZ Reach is financially and technically capable of providing Lifeline-supported services.⁵⁰ EZ Reach has not been subject to enforcement action or ETC revocation proceedings in any state. EZ Reach has access to the financial resources, including private capital, necessary to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. The Company will provide service to both Lifeline and non-Lifeline customers. Furthermore, the senior management of EZ Reach has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.⁵¹ EZ Reach will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

C. Lifeline Offering

EZ Reach will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier, currently Sprint. As summarized in Exhibit E attached hereto, the Company’s Lifeline offering will provide customers with a choice of two (2) plan options:

- Lifeline Plan 1: 250 Minutes. Eligible customers enjoy 250 anytime minutes. These minutes do not rollover and text messaging is not included.

⁵⁰ See Order at ¶ 387.

⁵¹ See Exhibit D for key management resumes.

- Lifeline Plan 2: 100 Minutes. Eligible customers enjoy 100 anytime minutes that rollover for ninety (90) days. Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).

In addition to wholly-supported voice services, the Company's Lifeline plans will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, and Voicemail. Customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$13.50, \$25, and \$30.⁵² Additional airtime can be purchased by calling Customer Service, at no decrement in minutes, or by contacting Customer Service via the Company's website www.ezreachmobile.com. Customers are not bound by a local calling area requirement; all EZ Reach plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to EZ Reach Customer Service are also free. EZ Reach does not impose burdensome credit checks or long-term service contracts on its prepaid customers.

V. CONCLUSION

EZ Reach submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, EZ Reach respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

⁵² \$5 = 75 minutes; \$13.50 = 250 minutes; \$25 = 500 minutes; and \$30 = 1000 minutes.

Respectfully submitted,

EZ REACH MOBILE, LLC

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse
Suite 150
Alpharetta, Georgia 30005
(770) 232-9200

Its Counsel

Dated May 1, 2012

Exhibit A

Sample Lifeline Certification Form

EZ REACH MOBILE

Georgia Application

Questions? Please call 1-877-309-4629

1. APPLICANT (PLEASE PRINT)

First Name:		Middle Initial:	Last Name:		
Social Security Number (or Tribal ID Number) :		Date of Birth: Month		Day	Year
Residence Address :		Apt.	City:	State:	Zip:
This address is <input type="checkbox"/> permanent <input type="checkbox"/> temporary <input type="checkbox"/> multi-household					
Billing Address :		Apt.	City:	State:	Zip:
Contact Phone Number (Friend or relative) :			Email (if available) :		

2. ELIGIBILITY REQUIREMENTS (PROGRAM-BASED - CHECK ALL THAT APPLY)

I HEREBY CERTIFY THAT I PARTICIPATE IN A MINIMUM OF ONE OF THE FOLLOWING ASSISTANCE PROGRAM(S):

- | | |
|---|---|
| <input type="checkbox"/> National School Lunch Program's free lunch program | <input type="checkbox"/> Temporary Assistance for Needy Families (Work First) |
| <input type="checkbox"/> Food Stamps - Supplemental Nutrition Assistance Program (SNAP) | <input type="checkbox"/> Supplemental Security Income (SSI) |
| <input type="checkbox"/> Federal Public Housing (SECTION 8) | <input type="checkbox"/> Low Income Home Energy Assistance (LIHEAP) |
| <input type="checkbox"/> [State Program] | <input type="checkbox"/> Medicaid |

3. ELIGIBILITY REQUIREMENTS (INCOME-BASED)

- ☐ My household income is at or below 135% of the Federal Poverty Guidelines (FPG). There are _____ individuals in my household.

4. READ AND SIGN THE FOLLOWING:

I affirm, under penalty of perjury (*check each certification*)

- ☐ I am a current recipient of the above program, or have an annual household income at or below 135 percent of the FPG
- ☐ I have provided documentation of eligibility if required
- ☐ To the best of my knowledge, I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company. I understand that I can only receive one Lifeline subsidy.
- ☐ To the best of my knowledge, I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company. I understand that I can only receive one Lifeline subsidy.
- ☐ I understand Lifeline is non-transferable; I may not transfer my service to any individual, including an eligible low-income consumer
- ☐ I understand that if my service goes unused for sixty (60) days, I will no longer be eligible for Lifeline benefits and my service will be suspended subject to a thirty (30) day period during which I may use the service or contact the Company to confirm that I want to continue receiving Lifeline service from the Company
- ☐ I will notify EZ REACH within thirty (30) days if I no longer qualify for Lifeline. I understand I may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if: (1) My household is receiving more than one Lifeline service; or (2) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG
- ☐ I will notify my phone company within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that EZ REACH will contact me every ninety (90) days to re-verify my address; if I fail to respond to my telephone company's address verification attempts within thirty (30) days, I may be de-enrolled from my Lifeline service
- ☐ My telephone company has explained the one-per household requirement, and I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the lifeline program, and could result in criminal prosecution by the United States Government
- ☐ My telephone company has explained to me that I am required each year to re-certify my continued eligibility for Lifeline at any time, and that if I fail to do so within thirty (30) days, it will result in the termination of my Lifeline benefit

I understand that Lifeline is a federal benefit. I understand that Lifeline is only available for one line per household and a household cannot receive benefits from multiple providers. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses.

I authorize EZ REACH MOBILE, LLC or its appointed representative to access any records or provide to state and Federal agencies, including the Universal Service Administrative Company (USAC) and/or its agents, my account information (including but not limited to my name, telephone number, date of birth, social security number, address, and usage history) required to verify my statements herein and to verify that I do not receive more than one Lifeline subsidy.

I understand that completion of this application does not constitute immediate approval for Lifeline.

☐ The foregoing representations are true and correct to the best of my knowledge. I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.

Applicant Signature _____

Date: _____ **20** _____

Certification is good for one year from the date of signing.

5. PLEASE RETURN APPLICATION TO:

By MAIL:

EZ REACH MOBILE, LLC
3957 PLEASANTDALE RD, STE 107
ATLANTA GA 30340

Questions? Please call 1-877-309-4629

Complaints concerning Lifeline service can be directed to the Georgia Public Service Commission's Consumer Affairs Unit at 404-656-4501 or 1-800-282-5813.

FOR OFFICE USE ONLY

Company Representative:

Representative Signature:

Documentation Verified:

Date:

Exhibit B

Sample Advertisement

EZ REACH MOBILE

an EZ way to stay connected



**FREE phone &
100 FREE voice minutes each month**
(250 Minute Offer Also Available)

No Contracts! No Credit Checks!

You may qualify for EZ Reach Mobile's Lifeline Program if you participate in **programs such as food stamps or Medicaid**

Lifeline is a federal benefit. Only eligible consumers may enroll. Proof of eligibility required.

Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers. Lifeline service is non-transferable.

877-309-4629

www.EZREACHMOBILE.com

Exhibit C

Lifeline Terms and Conditions

Introduction

EZ REACH MOBILE, LLC's ("EZ Reach") Lifeline Assistance program ("EZ Reach Lifeline") is supported by the federal Universal Service Fund program ("Lifeline Assistance"). These Terms of Service apply to EZ Reach Lifeline services and mobile phones activated on EZ Reach services. Please read these terms carefully.

These Terms of Service become effective by doing any of the following: activating an EZ Reach Lifeline phone or using your EZ Reach Lifeline phone after you make a change to your account. If you do not want to accept these terms, don't do either of these things and contact EZ Reach at 1-xxx-xxx-xxxx. When you accept these Terms of Service, you represent that you are at least 18 years of age and that you meet the eligibility standards for EZ Reach Lifeline service.

Our Right to Make Changes

Our service is provided at our discretion. We may change our Terms of Service, including pricing for paid service options, from time to time. Unless expressly prohibited by law, we reserve the right to modify or cancel this service or your account or take corrective action at any time and for any reason, including, but not limited to, your violation of any provision of these Terms of Service. Check the EZ Reach Lifeline website, www.EZREACHMOBILE.com, for the most recent pricing. Your right to use our service is subject to our business policies, practices and procedures, rates and these Terms of Service, which we may change at any time. We will notify you of any change to these Terms of Service that are determined to be materially adverse to you 30 days in advance of such change. If you do not terminate your service within 30 days of receiving the notice of a change in these Terms of Service, you agree to accept any such changes

Mobile Telecommunications Services

EZ Reach provides mobile telecommunications services using the Nationwide Sprint Network exclusively with EZ Reach phones provided free of charge. You cannot use our service with any other mobile phone or device or on any other network, and you may not use your EZ Reach phone or device with any other service or network. Airtime may be used for domestic and international calling from the United States and for related services as provided in these Terms of Service.

The EZ Reach Lifeline service is for personal use only. You may not use our service in a manner that interferes with another EZ Reach customer's use of our service. We have determined that our ability to provide good service may be impaired when customers place abnormally high numbers of calls, send or receive unusually high numbers of messages, or repeatedly place calls of unusually long duration, relative to typical usage by other EZ Reach customers on similar service plans. Such atypical usage suggests that a mobile phone is being used other than for personal use in violation of these Terms of Service. Unlimited voice services are provided solely for live dialogue between two individuals. Unlimited voice services may not be used for monitoring services, data transmissions, or other connections that do not consist of uninterrupted live dialogue between two individuals. EZ Reach mobile phone numbers may not be used for pager or voicemail-only service, and EZ Reach may terminate any account if usage is limited to pager service or voicemail retrieval service.

You agree not to use EZ Reach services in any way that is illegal, fraudulent or abusive, as determined by EZ Reach in its sole discretion. You may not alter any of the hardware or software on your EZ Reach phone for any purpose. We may change your mobile phone's software, applications or programming remotely and without notice. This may affect stored data or other personal information or programming on your mobile phone for which we are not responsible. EZ Reach phones may not be purchased in bulk or sold to third parties.

The software and Data Content on the EZ Reach phones, including the operating system, applications, data, information, music, games, images, text and other material, are owned by EZ Reach or its business partners. You are permitted to use this software and Data Content solely in connection with your use of the EZ Reach phone with our service as expressly authorized under these Terms of Service. You may not distribute or upload any pre-loaded software or content to another device or transmit or broadcast the software or content, or otherwise copy or use the software or content in any manner not expressly

authorized under these Terms of Service or any other governing terms of use relating to any downloaded content or applications. If you violate these Terms of Service, including without limitation by using a EZ Reach phone or device on another network without our prior written consent by modifying any hardware or software on an EZ Reach phone or device, or by distributing, copying or otherwise using any of the software or content on an EZ Reach phone in a manner that is not authorized by these Terms of Service or any other governing terms of use relating to any downloaded content or applications, your license to the software and content shall terminate immediately and your continued use will constitute copyright infringement.

EZ Reach service is only available in geographic areas covered by the digital service network footprint of the Nationwide Sprint Network. Local phone numbers may not be available in certain markets.

Wireless services use radio transmissions and are therefore affected by limitations. Coverage is not available everywhere. Quality of service may be affected by conditions beyond our control, including atmospheric, geographic, or topographic conditions, or by your damaging your mobile phone. We do not warrant or guarantee that service will be available at any specific time or geographic location, or that service will be provided without interruption. We may give credit for continuous service interruption of more than 24 hours on a case-by-case basis, if such interruption was reasonably within our control, and you notify EZ Reach at 1-xxx-xxx-xxxx within seven days of the interruption. Any statements or maps provided by us, our agents, or dealers about coverage are only intended to provide high-level estimates of our coverage areas when using our service outdoors under optimal conditions and do not mean that service will be available under all circumstances, at all times or without interruption. Estimating wireless coverage and signal strength is not an exact science. There are gaps in coverage within our estimated coverage areas that, along with other factors both within and beyond our control, may result in service interruptions, slower data speeds, or lower quality of service. You should therefore never solely rely on your mobile phone for emergency calls, such as to 911.

Rates that vary based on the time of a call will be determined based on the location of the network equipment providing service for a particular call and not on the location of your mobile phone or your mobile phone's area code. Airtime usage is measured from the time the network begins to process the call (before the phone rings or the call is answered) through the network's termination of the call (after you hang up). Therefore, call time data displayed on your mobile phone may be inaccurate and may not be relied upon for billing purposes.

Availability

EZ Reach Lifeline is only available for activation by customers who reside in the areas in which EZ Reach has been designated as an Eligible Telecommunications Carrier ("ETC"). Your principal residence address must be within an EZ Reach ETC service area. Visit www.EZREACHMOBILE.com to check whether you reside in an EZ Reach ETC service area. To be eligible for EZ Reach Lifeline service, you must meet the applicable eligibility standards described below, which may be amended from time to time.

Eligibility

Eligibility for EZ Reach Lifeline service varies by state. You may qualify for EZ Reach Lifeline if you participate in any of the government programs listed on your EZ Reach Lifeline application or based on household income eligibility standards. If you seek to qualify for EZ Reach Lifeline based upon participation in a qualifying federal or state program, you may be required to provide proof of program participation such as program identification card or other social service agency document that shows you currently participate in one of the programs enumerated above. If you seek to qualify for EZ Reach Lifeline under the household income eligibility standards, you are required to provide written documentation of your household income. EZ Reach shall retain all such certifications and documentation to furnish proof of your eligibility as may be required by applicable law. By completing the EZ Reach Lifeline application, you consent to the release of your information (including financial information) to our designated agent as required for the administration of your EZ Reach Lifeline service. This consent survives the termination of this Agreement. EZ Reach reserves the right to review your eligibility status at any time and require you to provide EZ Reach with written documentation of either your household income or your participation in a qualifying federal or state program. You may only receive Lifeline Assistance for a single landline or

wireless telephone account at your principal residence. If you or any member of your family unit receives Lifeline Assistance from any other telephone company, you are responsible for notifying your current service provider that you have been approved for Lifeline Assistance through EZ Reach.

Non-Transferable and Non-Assignable

Eligibility for EZ Reach Lifeline is personal to you. You may not transfer to any third party any of your rights or benefits received under the EZ Reach Lifeline service, including, but not limited to, any voice minutes received under the EZ Reach Lifeline service.

Similarly, you may not assign your rights or delegate any of your duties under these terms without the prior written consent of EZ Reach, and any attempted assignment or delegation without such consent shall be void. EZ Reach may assign all or part of these terms or your debts under these terms without notice.

Service Plans

- *Lifeline Plan 1: 250 anytime minutes. These minutes do not rollover and text messaging is not included.*
- *Lifeline Plan 2: 100 anytime minutes that rollover for ninety (90) days. Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).*

If you use all of your monthly voice minutes before a new monthly cycle starts and you have a sufficient balance in your account, you will be charged 14¢ for each additional minute you use. If you use all of your all of your monthly voice minutes before a new monthly cycle starts, and you do not have a sufficient balance in your account, you may not use your mobile phone to make or receive voice calls (other than 911 emergency calls or calls to EZ Reach customer service at 1-xxx-xxx-xxxx or 611), until the start of the next monthly cycle.

Account Status

Your account will remain active as long as you meet the applicable eligibility standards for EZ Reach Lifeline service. You are responsible for notifying the Company if you no longer meet the applicable eligibility standards for EZ Reach Lifeline within five days of becoming aware of your ineligibility by calling the Company at 1-xxx-xxx-xxxx or sending a written notice to EZ REACH MOBILE, LLC, 3957 Pleasantdale Rd., Ste 107, Atlanta, Georgia 30340. In addition, if you receive a notice from the Company requesting that you confirm your eligibility status, you must do so within 30 days after you receive such notice.

If the Company has determined that you are no longer eligible for EZ Reach Lifeline service either because 1) you have notified us of your ineligibility; 2) you have failed to respond to a request by the Company to confirm your eligibility by the response date; or 3) you have responded to a request by the Company to confirm your eligibility but failed to submit adequate proof of your eligibility status; or 4) the Company learns you are no longer eligible through communication with a state agency, the Company will notify you that you are no longer eligible for EZ Reach Lifeline service. You must confirm eligibility by submitting adequate proof of your eligibility status within 30 days following notification of ineligibility in order to have your eligibility restored.

In addition, if you do not use your Company phone (such as make a voice call or send a text message) at least once during any 60-day period, the Company may notify you that you are no longer eligible for EZ Reach Lifeline service. If you receive a notice of inactivity, you must make a voice call or send a text message at least once during the 30-day period following such notification in order to have your eligibility restored.

If your eligibility is not restored prior to the end of the applicable 30-day period following notification of ineligibility or inactivity, you will lose any free monthly minutes remaining in your account and you will no longer receive a monthly allocation of free minutes. For 120 days after the end of this 30-day period, if you have a sufficient balance in your account, you will be charged 14¢ for each additional minute you use. During this 120-day period, you may choose to switch to a retail plan and keep your phone number

by calling 1-xxx-xxx-xxxx. After the end of this 120 day-period, your account will expire and we will deactivate your service. If your account expires, you will lose your phone number, and the Company will assess you a termination charge equal to the value of the balance in your account.

Payment Methods for Paid Service Options

For wireless phone usage in addition to your monthly minute allocation and in order to utilize messaging, data and other enhanced services or features, you must add money to the cash balance of your EZ Reach Lifeline account.

Top-Up

You add money to the cash balance of your EZ Reach Lifeline account by using one of our Top-Up methods. You can Top-Up your account by (1) registering your credit/debit card (a "registered payment method"), or (2) buying EZ Reach Lifeline Top-Up cards at any of thousands of retail locations. Sales taxes apply.

Current Top-Up amounts are:

75 Anytime Additional Minutes	\$5.00
250 Anytime Additional Minutes	\$13.50
500 Anytime Additional Minutes	\$25.00
1000 Anytime Additional Minutes	\$30.00

Auto Top-Up

You can register to automatically Top-Up your account. By registering for Auto Top-Up, you agree to have the Auto Top-Up amount you have selected deducted from your credit card, debit card and added to your EZ Reach Lifeline account according to one of the following options: (1) once every month on the date you specify; (2) once every 90 days; (3) once every 45 days; or (4) when your balance falls below \$5. The minimum Auto Top-Up amount is \$10.

You can set up, modify, or cancel your Auto Top-Up preferences at www.EZREACHMOBILE.com or by calling the Company at 1-xxx-xxx-xxxx.

Payment Methods for Monthly Recurring Charges

If you have authorized the use of your registered payment method for monthly subscription charges (i.e., for your Data Pack and/or Messaging Pack subscriptions as described below), we will first attempt to deduct your monthly payment from your cash balance. If you do not have a sufficient cash balance to cover your monthly charge, we will charge your registered payment method. Alternatively, you may use Top-Up for payment of recurring monthly charges.

Account History

Your account history for the previous 60 days will be available online at www.EZREACHMOBILE.com unless you switch service options, in which case your account history for your new service option will be available online for a period of up to 60 days following the date of your switch. You may request a printed statement detailing 60 days of account history by sending a written request to EZ REACH MOBILE, LLC, 3957 Pleasantdale Rd., Ste 107, Atlanta, Georgia 30340, Attention: Account History and you will be assessed a \$50.00 processing fee for this service. If you deactivate your services or change your mobile phone number, you may obtain your account history by contacting the Company at 1-xxx-xxx-xxxx. If you request an account history beyond the last 60 days, you may be assessed a processing fee.

Taxes and Surcharges

Stated prices for our service options do not include certain taxes or surcharges. The Company charges state and local sales taxes. The amount of these surcharges is subject to change and may vary from time to time and by geographic area. The Company collects sales taxes on all direct Top-Up transactions and, in certain states, regulatory fees. Third party retailers are responsible for collecting sales taxes and in certain states, regulatory fees, for Top-Up transaction that occur through such third party retailers. Taxes and fees are subject to change without notice.

Text Messaging

The current rates to send or receive a text message to another person's phone using your EZ Reach Lifeline phone are three (3) texts per one voice minute.

Preventing Spam

If you are receiving unwanted text messages ("spam"), contact the source and unsubscribe or remove your mobile phone number from the service.

Unsolicited Messages

If you intentionally send spam from your EZ Reach phone, we may terminate your service without further notice.

Additional Charges

There is a charge of \$1.75 for each call to directory assistance plus airtime charges for minutes used. This charge is subject to change.

You may check your balance at any time free of charge by visiting our website (www.EZREACHMOBILE.com).

Calls are billed in one-minute increments, with a minimum time per call of one minute. Call times are rounded up to the nearest whole minute. Calls are limited to two hours: if you are on a call for longer than two hours, the call will automatically terminate. International calls are not currently available with your EZ Reach Lifeline service.

If your account is deactivated for any reason, the Company will assess you a termination charge equal to the balance in your account, which is not refundable even if you reactivate your account.

Disputed Charges

If you think that there has been an error in any charge to your account, you must notify us within 60 days after the charge appears on your account. Call the Company at 1-xxx-xxx-xxxx and one of our advisors will investigate your claim. If you do not notify us, within this 60-day period, you waive any right to dispute the charge, including in arbitration or a court proceeding. We will credit, refund or provide other compensation to you if we determine that the disputed charge was inappropriate and was raised by you in a timely manner. If we credit, refund or provide other compensation to you to settle a disputed charge, you agree that the dispute is fully and finally resolved and not subject to further proceedings. We are not liable for any charges for products or services provided by third parties through and for use on our network, regardless of the date on which you report it. If an unauthorized or disputed charge for a third-party product or service appears on your statement, you must contact that third party directly. Third-party contact information is available on your statement, as well as by calling the Company at 1-xxx-xxx-xxxx.

Account Suspension Related to Credit Card Chargebacks

If we have attempted to charge your credit card account for a charge that we deem is authorized and valid under these Terms of Service, and the credit card company withholds such payment because the charge has been disputed (a "Chargeback"), we reserve the right to suspend your access to our service for up to 30 days until the Chargeback is reversed. If the Chargeback is not resolved and reversed, your account will be deactivated at the end of the 30-day period and the Company will assess you a termination charge equal to the balance in your account, which is not refundable even if you reactivate your account. If your account is reactivated, you may be charged a fee for each Chargeback. If there are multiple Chargebacks associated with your account or we suspect or confirm any fraudulent activity in connection with your payments, we may, without limiting any other rights available to us, elect in our sole discretion to require you to add money to the cash balance of your EZ Reach Lifeline account solely by means of Top-Up cards.

Refunds and Returns

No Refunds of Top-Up Cards and Monthly Charges

the Company is not responsible for, nor do we refund, lost, stolen, misused, or damaged Top-Up cards. Top-Up cards must be applied to your account within 5 years of purchase. The Company does not accept returns of or provide refunds for Top-Up cards. Please ask your retailer any questions regarding its return policy. All Top-Up sales are final and non-refundable regardless of who uses or possesses your mobile phone after you buy airtime, and regardless of whether the mobile phone is used with your consent or knowledge.

Monthly charges are non-refundable.

Returning Your EZ Reach Wireless Phone

Mobile phones purchased directly from the Company may be returned for a full refund within 30 days of purchase. You must have the original receipt, packaging materials and all components. Please contact the Company at 1-xxx-xxx-xxxx for instructions.

Mobile phones purchased at a retail store may be returned to that store in accordance with the store's return policy. Please repack the mobile phone and all components and bring it to the store at which you purchased it.

All mobile phones purchased directly from the Company, or one of our authorized dealers, include a one-year warranty from the original equipment manufacturer. If you experience a handset malfunction, call the Company at 1-xxx-xxx-xxxx we will arrange for a replacement device.

Lost or Stolen Equipment

If your mobile phone is lost or stolen, you are responsible for charges incurred until you notify us of the loss of your mobile phone by visiting our website (www.EZREACHMOBILE.com)

Mobile Phone Number

The mobile phone number we provide for your use is and will remain under the control of the Company. We may give the mobile phone number to another customer without telling you if you cancel your service with the Company in order to use another mobile service (unless you transfer the mobile phone number to another telecommunications provider in accordance with applicable regulations), or if your account expires and is deactivated. We may also change your mobile phone number at any time, although we will notify you prior to any change. You can request to change your mobile phone number up to three times each year.

Keeping Your Old Mobile Phone Number

Depending on where you live, you may transfer an existing wireless or wireline carrier telephone number to you is the Company service for use as your mobile phone number. To switch an existing phone number to the Company, contact the Company at 1-xxx-xxx-xxxx. Before you call, please have a bill from your existing wireless or wireline carrier available. When you switch from another wireless carrier to The Company, you may have to pay a termination penalty to your former carrier if you terminate your contract early. The Company will not reimburse you for any termination fees imposed by other carriers.

You will not be able to switch your area code without receiving a new local number from The Company as well. For example, if you move from San Francisco to New York City, and your San Francisco number was 415-123-4567, you may keep 415-123-4567 as your number, but you may not switch your number to 212-123-4567. Although you may keep your old number and old area code, you should be aware that your New York friends may pay long distance charges when they call your San Francisco number from the New York area.

Acceptable Use of EZ Reach Products and Services

You may not use The Company's service for any illegal purpose, including to harass, threaten, abuse, defame, or slander any individual or entity. You may not use our service in a manner that interferes with another EZ Reach customer's use of our service. You may not use, or attempt to use, The Company's service for profit or any other gain, including, but not limited to, selling, attempting to sell, or in any way transferring to a third party any service from EZ Reach.

Content Objectionable or Offensive to Third Parties

You may not publish, copy, reproduce, upload, download, post, distribute, edit, modify, or otherwise transmit ("Post") any content that is unlawful, libelous, defamatory, slanderous, obscene, pornographic, harassing, threatening, abusive, harmful, or otherwise objectionable, or that infringes upon or otherwise violates others' rights, including privacy rights.

Unlawful Content

You may not Post any content that encourages or is in furtherance of an unlawful, criminal, or fraudulent activity or that violates any The Company rule or policy.

Soliciting Information

You may not Post any content that solicits any information from other customers or involves any commercial activities, including advertisements.

Infringing Content

You may not Post any content that may infringe on or otherwise violate any patent, trademark, trade secret, copyright, or other intellectual property or proprietary right of any person. Infringement may result from the unauthorized copying, posting, editing, modifying or distributing of any content, including ringtones, graphics, pictures, photographs, logos, software, articles, music, games, or videos. By Posting any content, you represent that you have legal rights to use, distribute and publish such content.

Harmful Content

You agree not to Post any content that contains viruses, worms, time bombs or other similar programs that would interfere with or disrupt our provision of services.

Removal of Objectionable Content

We reserve the right, in our sole discretion, to remove or delete any content that you Post on our service that violates these Terms of Service or is otherwise deemed objectionable by us in our sole discretion. We may delete content that you have downloaded to your personal vault or limit the amount of content that you may download during any given period.

Suspension or Termination of Service

We reserve the right to issue a warning and to suspend or terminate your access to www.EZREACHMOBILE.com website, any other website we operate or to our service at any time should we determine in our sole discretion that you have violated these Terms of Service or any other rule or policy of The Company, or for any other reason in our sole discretion.

Storage of Content

Some content may not be stored or processed because of personal vault memory limitations. You agree that The Company is not liable for the deletion of or failure to store content, and, in compliance with these terms, you should store photographs and other information permanently by using another means, such as a CD-R or personal computer. Content may expire within 60 days of its original download or use unless you otherwise request its retention and/or preservation. A password may be required to use Downloads or to access the contents of your personal vault. Use of Downloads requires the use of a compatible mobile phone or other device and is subject to certain functionality limitations such as memory, processor speed, and graphics capability. Not all applications will work on all EZ Reach phones and equipment, and some applications may not be available in all areas. Use of certain Downloads applications may require

the disclosure of personal information subject to the policies of the companies that offer such applications. We also disclose to third parties any content necessary to respond to claims that such content violates the rights of third parties or to protect the rights and property of The Company.

Location-Based Services

Location-based information is information that indicates the location of your Company phone. When you turn on your mobile phone, your device automatically communicates with our network and relays its current location unless you have turned off your handset's location functionality. The accuracy of location-based services may be affected by circumstances beyond our control, including atmospheric, geographic or topographic conditions. We do not warrant or guarantee that location-based services will be available at any specific time or geographic location, or that service will be provided without interruption.

By using our location-based services, you consent to have us electronically collect, monitor and track your physical location and the location of your mobile phone. We collect and disclose your location information only to provide you with the location-based services you have requested, or in emergency situations as prescribed by law. If you allow others to use your EZ Reach phone, you are responsible for informing these users that their location information may be collected or disclosed. We will not provide your location information to third parties without your consent other than as prescribed by law.

If you wish to change your privacy options for the use of your location information, or if you no longer wish to use our location-based services, please change the settings on your mobile phone. Changing your privacy options or terminating our location-based services will not affect the status of any other services you receive from us. Any information that is collected, monitored or tracked regarding your physical location or the location of your mobile phone will not be retained longer than is necessary to provide the location-based services you have selected. For further information regarding your privacy options in connection with your use of the Company services go to www.EZREACHMOBILE.com.

The Company Website

You may use our website located at www.EZREACHMOBILE.com.

Teletype ("TTY") Access

For information concerning TTY access for the hearing-impaired, please contact The Company at 1-xxx-xxx-xxxx.

Pay-Per-Call Services

The Company will not directly complete any calls to 1-900, 1-976 or other pay-per-call services.

Safety and Security

The Company is not responsible for the content or security of voicemail, messages or contact lists you create. We urge you to create a password to access your voicemail.

Always use your device in a safe manner that does not create a risk to your safety or the safety of others around you. While driving, always use a hands-free device and never use your mobile phone to send text messages. Always use your EZ Reach phone in accordance with all applicable laws and regulations.

Use of Your Customer Information

When you agree to these Terms of Service, you also agree to the terms of our Privacy Policy (available at www.EZREACHMOBILE.com). This policy may change from time to time and includes important information on what data we collect about you, how we use this data and with whom we share that data.

In the course of providing service to you, we may collect certain information made available to us solely because of our relationship with you, including information regarding the nature and type of your service and the calls that you place and receive. We always will handle this data, so-called "Customer Proprietary Network Information" ("CPNI") in accordance with Federal Communications Commission regulations, federal consumer privacy laws and the company Privacy Policy. We take reasonable steps to protect CPNI and your other personal information from unauthorized use or disclosure. Except as contemplated by the Privacy Policy, we will not intentionally share your personal information without your permission. We may, from time to time, use the information you provide us to market services to you that may be related to our service offerings. You will have the opportunity to choose whether you would like to receive text messages, email, direct mail and other updates from The Company and its partners about new products, special promotions and important service information by editing your profile at www.EZREACHMOBILE.com, or by calling the Company at 1-xxx-xxx-xxxx.

To comply with appropriate legal process, the Company may disclose to law enforcement authorities and governmental agencies any information, including your name, account history, account information, or other transmission data properly requested by law enforcement.

Dispute Resolution

The Company and you each agree to contact each other first with any disputes. You must contact us with any dispute by calling the Company at 1-xxx-xxx-xxxx or writing us at EZ REACH MOBILE, LLC, 3957 Pleasantdale Rd., Ste 107, Atlanta, Georgia 30340, Attn. Executive Escalations, and providing a description of the problem, all relevant documents/information and the proposed resolution. We will contact you at the last address that you have provided us or on your mobile phone. We each agree to negotiate in good faith to resolve any dispute. You agree to pay all amounts reflected on your account statement, even while a dispute is being resolved. For Washington state customers, complaints regarding Lifeline service may be directed to the Washington state Office of Attorney General, Consumer Protection Division at 1-800-551-4636. For Georgia customers, complaints concerning Lifeline service can be directed to the Georgia Public Service Commission's Consumer Affairs Unit at 404-656-4501. For Massachusetts state customers, complaints regarding lifeline service may be directed to the Massachusetts Department of Telecommunications and Cable at (800) 392-6066 or (617) 305-3531. Kansas only: For unresolved questions or complaints you may contact the Kansas Corporation Commission, Office of Public Affairs and Consumer Protection, at KCC - Consumer Protection, 1500 SW Arrowhead Road, Topeka, KS 66604 or toll-free 1.800.662.0027 or in Topeka 785.271.3140. Hearing or speech impaired TDD Kansas Relay Center 1.800.766.3777.

No Trial by Jury

To the extent permitted by law, if a claim proceeds in court, we each also waive any right that we may have to trial by jury in any lawsuit or other proceeding.

Limitation of Liability

Unless prohibited by law, The Company and you agree to limit claims for damages or other monetary relief against each other to direct and actual damages. You agree that The Company and its business partners are not liable to you or any third party for any indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether we have been notified that such loss may occur) by reason of any act or omission in our provision of products or services or under any legal theory, including fraud, misrepresentation, breach of contract, personal injury, product liability or any other theory. The Company assumes no risk or responsibility for your use of any of the content provided as part of our services. We are not liable for (1) any act or omission of any other company furnishing a part of our service or any equipment provided for such service, (2) errors or omissions of any vendors participating in offers made through us, (3) any damages that result from any product or service provided by or manufactured by third parties, or (4) any unauthorized or disputed charges for The Company services that appeared more than 15 days earlier on your online account

statement and which you did not properly dispute within 15 days after the charge was posted to your account. You acknowledge that no fiduciary or other special relationship exists between you and The Company, by virtue of these Terms of Service or your use of EZ Reach Lifeline phones and services. You also agree we are not liable for missed voice mails, deletion of contacts from you address book, or data content or messages from your voicemail system.

Indemnification

You agree to indemnify and hold harmless The Company and its affiliates and their respective officers, agents, partners and employees, from any and all liabilities, settlements, penalties, claims, causes of action and demands brought by third parties (including any costs, expenses or attorneys' fees on account thereof) resulting from your use of EZ Reach Lifeline products and services, or another person whom you authorize to use your products or services, whether based in contract or tort (including strict liability) and regardless of the form of action.

Warranties

We do not manufacture our mobile phones or other equipment. The only warranties applicable to such devices or equipment are those extended by the manufacturers. We have no liability, therefore, in connection with mobile phones and other equipment or for manufacturers' acts or omissions.

WE MAKE NO WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING THE PRODUCTS AND SERVICES PROVIDED HEREUNDER OR ANY SOFTWARE REQUIRED TO BE USED IN CONNECTION THEREWITH, INCLUDING, BUT NOT LIMITED TO, AND TO THE EXTENT PERMITTED BY LAW, WARRANTY OF TITLE, WARRANTY THAT A PRODUCT OR SERVICE IS FIT FOR A PARTICULAR USE OR WARRANTY OF MERCHANTABILITY. WE EXPRESSLY DISCLAIM ANY AND ALL IMPLIED WARRANTIES. WE DON'T PROMISE ERROR-FREE OR UNINTERRUPTED SERVICE AND DON'T AUTHORIZE ANYONE TO MAKE WARRANTIES ON OUR BEHALF.

Effect of Terms of Service

These Terms of Service supersede all oral or written communications and understandings between you and The Company with respect to our products and services to you and the terms under which they are offered and provided to you. If any part of these Terms of Service is declared invalid or unenforceable, all other parts of these Terms of Service are still valid and enforceable. Such invalidity or non-enforceability will not invalidate or render unenforceable any other portion of these Terms of Service. No provision of these Terms of Service provides any person or entity not a party to these Terms of Service with any remedy, claim, liability, reimbursement, or cause of action, or creates any other third-party beneficiary rights.

Unless otherwise specified herein, any disputes of a legal nature, whether a claim, complaint, arbitration demand or otherwise, shall be subject to the exclusive jurisdiction of the federal or state courts located within the State of New York, except in the case of a customer resident in the State of California, in which case such disputes shall be within the exclusive jurisdiction of the federal or state courts of or in the California county in which the customer primarily uses The Company's service.

Notices

You may notify us by mail (EZ REACH MOBILE, LLC, 3957 Pleasantdale Rd., Ste 107, Atlanta, Georgia 30340), phone (1-xxx-xxx-xxxx) or electronic means (via our website at www.EZREACHMOBILE.com).

Export

You agree to comply with all trade regulations and export control laws, both domestic and foreign. EZ Reach phones, equipment, software, and any underlying information accessed or transferred by you using our services may be subject to U.S. export controls, including the Export Administration Act (50 U.S.C. § 2401, et seq.) and the Export Administration Regulations (50 C.F.R. § 730-774), as well as the import regulations of other countries. You agree not to export or re-export any The Company phones, equipment, or software to any foreign country. Any information transferred by you using The Company's services to any foreign country, entity, or person must comply with the U.S. Export Administration Act and the Export Administration Regulations.

Exhibit D

Key Management Resumes

Bassam Abdallah, Chief Operating Officer

Bassam is an alumnus of DePaul University where he earned a Bachelor's of Science Degree in Computer Science in 1983. Upon completion of his studies, he was employed for Isticharat as a Cobol Programmer within their IT Department. His responsibilities included coding, analysis and testing financial applications. He remained employed there until he decided to use his experience to gain employment with the California Judicial Council in 1989 as a programmer, responsible for the coding of applications used to track inventory and payroll until 1987. It was in 1998 when Bassam decided to change career paths and enter into the Telecommunications field as Director, with Global Connections, where he served till 2008. Due to his education and extensive programming experience, Bassam had supervised the in-house development of the company's software applications and has since been a vital part of the development in the functionality and operational departments required in the success of Global Connections. Throughout his career, he has proactively stayed abreast of continuous changes within the industry in order to be effective in his role as Director of Global Connections and as a Board Member of the NALA Organization. Also, his knowledge of the 1996 deregulation code and its impact on the Telecommunication industry has helped in effectively negotiating interconnection agreements with other ILECs that govern the relationship between those companies. He also served as the single point of contact between Global Connection and these ILECs so that the positive relationship built between those companies is maintained and continued to develop. Because of the increasing demand for implementing changes and remaining compliant with the various governing bodies involved within the Telecommunications industry, Bassam has also continued to educate himself in the functions which relate to the networking aspects, including, but not limited to those regarding the workings of voice components, switches, common transport, loops and ports, etc. This knowledge is crucial in his ability to participate in the ATT User Group meetings which allows Global Connections, among other CLECs, discuss the problems and issues between Bellsouth and the CLECs community in order to improve productivity. These improvements encompass Bassam to gain insight into the implementation of new products such as VOIP (voice over IP) technology, negotiate with different MVNO's the possibility of using their platforms to offer wireless services to potential customers. It's through this dedication and thrives for success that has made Bassam a valuable asset in this telecommunications industry. Because he managed every department at Global Connection that gave him the expertise of knowing how data should flow between these departments that made the CLEC run successfully. Bassam was in charge of cost control and that was essential in Global Connection being profitable for eight successive years.

Exhibit E

Proposed Lifeline Rate Plans

Lifeline Plan 1

250 Anytime Minutes

Net cost to Lifeline customer - \$0 (free)

- No rollover
- No Texting

Lifeline Plan 2

100 Anytime Minutes

Net cost to Lifeline customer - \$0 (free)

- 90 days rollover
- 3 texts per 1 minute of voice

Included in All Plans

- Free handset
- Free calls to 911 emergency services
- Free calls to Customer Service
- Free domestic long distance
- Caller ID, Call Waiting, and Voicemail

Additional Minutes

75 Anytime Additional Minutes	\$5.00
250 Anytime Additional Minutes	\$13.50
500 Anytime Additional Minutes	\$25.00
1000 Anytime Additional Minutes	\$30.00